



**Dhampur Bio Organics Limited**  
**Annual Report 2021-22**



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To view this report online, please visit:  
**[www.dhampur.com](http://www.dhampur.com)**

## Forward-looking Statements

In this Report, we have made certain forward-looking statements to enable our investors to take informed investment decisions. These set out the anticipated results based on the Management's plans and assumptions. Where possible, we have tried to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in reference to any statement or discussion relating to future prospects or performance. While we have been prudent in making such assumptions, we cannot guarantee that these forward-looking statements will be realised as the information shared therein is subject to risks, uncertainties and even inaccurate assumptions. Should any known or unknown risks or uncertainties materialise, or should the underlying assumptions prove inaccurate, the actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



# Key Highlights for FY 2021-22

Dhampur Bio Organics Ltd. (DBO) was demerged from Dhampur Sugar Mills Ltd. (DSML) vide a Scheme of Arrangement approved by the Board of the undivided company on June 7, 2021, which was approved by the NCLT vide its order dated April 27, 2022. The said order became effective from May 3, 2022. The appointed date, as per the Scheme and the NCLT order, is April 1, 2021.

Diverted 1.95 Lakh tonnes cane (approx. 5% of our total cane crushed) to produce ethanol during the sugar season 2021-22.

Expanded the capacity of our distillery from 150,000 litres per day to 312,500 litres per day on B-Heavy. This expanded capacity was commissioned in January 2022.

Modified the process in our Meerganj Unit to manufacture 100% raw sugar, which was refined at our Asmoli Unit – proximity between these two units made the value addition possible.

Achieved one of the highest increases in the total cane crushed (viz. previous year) in UP during the sugar season 2021-22. Our total cane crushed increased by approx. 5%, whereas the overall cane crushed in UP decreased.





## About Us

**FY2022 was a watershed year for Dhampur Bio Organics Limited (DBO). We have emerged in a new avatar, with 90 years of legacy, but with our sights set firmly on the exciting future ahead.**



# Board of Directors

Our Board brings together experienced and diverse members, who provide us deep domain expertise, varied functional strengths, and a global mindset.



## MR. VIJAY KUMAR GOEL

### Chairman

Mr. Vijay Goel was the promoter of the undivided company, and was on the Board since 1960. He has been the President of the Indian Sugar Mills Association and the Indian Sugar Export Corporation. With over 65 years of experience in the sugar industry, Vijay has spearheaded several technological innovations in the industry. His ethos of social responsibility has always motivated the Company and continues to inspire our CSR endeavours.



## MR. ASHWANI KUMAR GUPTA

### Vice Chairman

Mr. Ashwani Gupta is a Chartered Accountant with over 40 years of experience in finance, treasury management and capital markets. He was associated with the undivided company for over 30 years. Ashwani has served as a Government nominee on the Boards of joint sector companies and as RBI nominee on the Board of banks.



## MR. GAUTAM GOEL

### Managing Director

Mr. Gautam Goel was the promoter of the undivided company and was on the Board since 1994. He has been the President of the Indian Sugar Mills Association and Indian Sugar Export Corporation. Gautam has led teams in expanding operations and capacities of the Company. As a team leader, he focussed on value-addition, which included pioneering the production of Sulphurless refined sugar in India. Gautam is involved in the farmer outreach efforts of the Company. He is spearheading our Sustainability and Social Governance initiatives.



## MR. SANDEEP KUMAR SHARMA

### Whole-time Director

Mr. Sandeep Sharma is the COO and the whole-time Director of DBO. He joined the engineering team of the undivided company in 1980, and has over 40 years of experience in operations, projects and administration.



### **MRS. BINDU VASHIST GOEL**

#### **Non-Executive Director**

Mrs. Bindu Vasisht Goel is a promoter of the Company. She is a qualified lawyer and has spearheaded our CSR endeavours in education. She supports our efforts to achieve diversity in the workplace. Bindu is part of the Company's team committed to contributing towards environmental initiatives and waste reduction.



### **MS. RUCHIKA MEHRA KOTHARI**

#### **Independent Director**

Ms. Ruchika Kothari has over 30 years of experience in the woollen textile industry. She has domain knowledge in purchase and import of wool, conversion, and marketing and export of finished yarn. The brand of finished woollen products launched by Ruchika has a wide domestic and international market.



### **MR. VISHAL SALUJA**

#### **Independent Director**

Mr. Vishal Saluja has over 20 years of experience as a fund manager. He founded and successfully managed two healthcare focussed hedge funds in the USA. Vishal worked for 5 years with McKinsey & Company as a strategy consultant on growth and operational efficiency initiatives with C-suite executives.



### **MR. SAMIR THUKRAL**

#### **Independent Director**

Mr. Samir Thukral has been involved since 1982 in commodity trading with a focus on sugar. He has worked with leading international commodity trading companies and has also represented them in India. Samir has domain expertise in sugar trading, which includes logistics and the international sugar futures market.



### **MR. KISHOR SHAH**

#### **Independent Director**

Mr. Kishor Shah is a Chartered Accountant with domain expertise in the sugar industry. He was a director and the CFO of a leading sugar company in India from 1994 to 2015. Kishor has over 30 years of experience in corporate finance, cost management and strategic planning.



# Management Team

Our management team has a successful track record, and brings continuity and energy to our day-to-day operations. Our senior executive leadership comprises Mr. Gautam Goel and Mr. Sandeep Sharma (both of whom serve on the Board of Directors), along with Mr. Mukul Sharma and Mr. Nalin Gupta.



## MUKUL SHARMA

### Chief of Staff

Mr. Mukul Sharma has 30 years of experience in operations. He has domain expertise in sales and trading of the Company's products. He is part of our business development team and has been with the undivided company since 1993.



## NALIN KUMAR GUPTA

### Chief Financial Officer

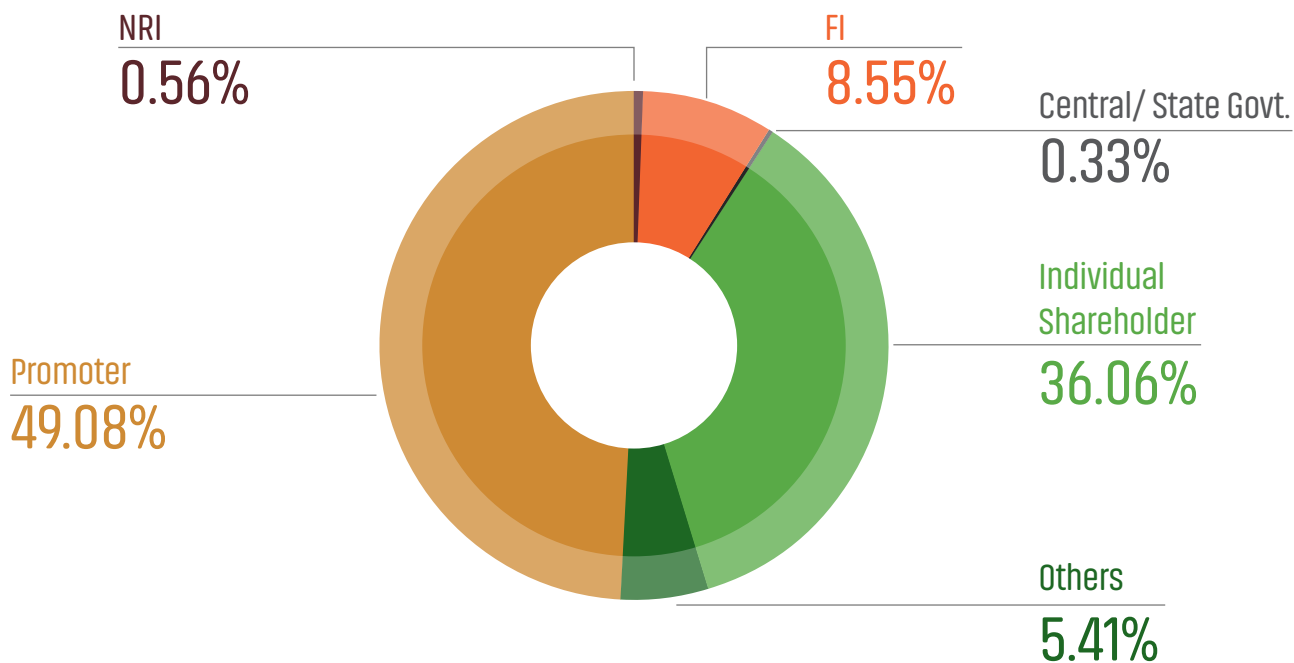
Mr. Nalin Gupta is a Chartered Accountant with 26 years of experience in finance, accounts, taxation, and treasury management. He has been associated with the undivided company since 1996.



# Shareholding Pattern

Our wide base of shareholders is spread across government, private and institutional entities.

SHAREHOLDING PATTERN AS ON JUNE 30, 2022



{Equity shares of Dhampur Bio Organics Limited shall be listed on BSE Ltd and National Stock Exchange of India Ltd (NSE)}





# Our Manufacturing Footprint

The strategic location of our plants, in traditional cane-rich areas and in close proximity to one another, gives us a catchment and logistical advantage. This helps ensure smooth cane supply and ease of production. Two of our plants are equipped with capacities to produce 100% refined sugar, while the sugar mix at the third unit is guided by opportunities in the global market for exports and supply in domestic market.

Capacity	Asmoli Plant (District Sambhal)	Mansurpur Plant (District Muzaffarnagar)	Meerganj Plant (District Bareilly)	Consolidated
Sugarcane Crushing (TCD)	9,000	8,000	5,000	22,000
Sugar Refinery (TPD)	1,100	900	—	2,000
Raw Sugar (TPD)	—	—	800	800
Bio-Fuels & Spirits (LPD) on BH Molasses	312,500	—	—	312,500
Renewable Energy (MW)	43.5	33	19	95.5

## FY2022 - Operational Numbers

**40.33** Lakh Tonnes  
Cane Crushed\*

**11.86%**  
Gross Sugar Recovery

**31.75** MW Crore Units  
Renewable Power Generated

**3.97** Lakh Tonnes  
Sugar Produced

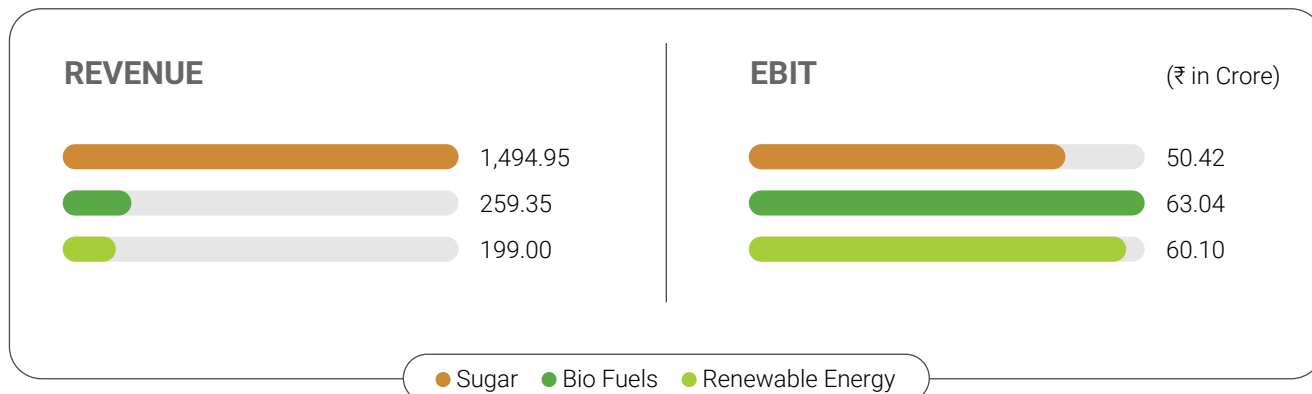
**456.03** Lakh Bulk Litres  
RS/ENA/Ethanol Produced

**14.50** MW Crore Units  
Sale of Power to UPCCCL

\*1.53 Lakh Tonnes of Sugarcane Diverted to Syrup derived Ethanol



## Total Revenue Mix for FY2022



### Bio Fuels



**Bio Fuels & Spirits (Distillery) segment contributed revenue of ₹259.35 Crore and EBIT of ₹63.04 Crore during FY2022**



# FY2022 – Financial Snapshot

## Key Metrics FY2022 (₹ in Crore)

Revenue from Operations

1,540.90

Profit Before Tax &amp; Exceptional Items

128.97

Working Capital Loans

664.00

EPS (₹/share)

15.35

EBITDA

190.39

Profit After Tax

101.89

Net Worth

877.45

Long Term Debt Equity Ratio

0.12X

EBITDA Margin

12.29%

Share Capital

66.39

Net Block

684.07

Interest Coverage

5.28

Cash Profits

136.97

Reserves &amp; Surplus

811.06

Net Current Assets

265.49

Current Ratio

1.28

## Segment-wise Performance

### Sugar

Cane Crushed\*  
(Lakh tonnes)

40.33



41.55

Net Recovery  
(%)

10.23



10.81

Sugar Production  
(Lakh tonnes)

3.97



4.49

Sugar Sales\*\*  
(Lakh tonnes)

3.63



5.32

White Sugar  
Realisations ₹/kg

35.48



33.00

Inventory (Lakh tonnes)  
(as on March 31, 2022 & 2021)

2.58 (Valuation Rate: ₹ 32.76/kg)

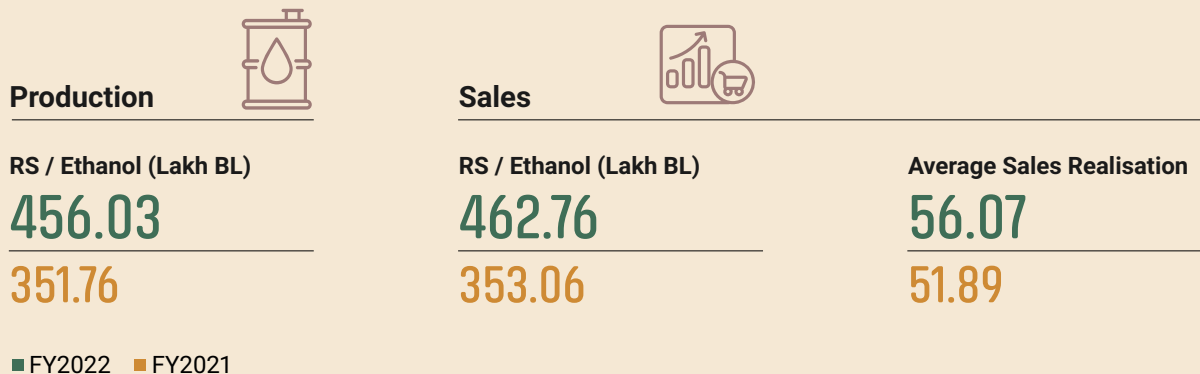
1.98 (Valuation Rate: ₹ 30.52/per kg)

■ FY2022 ■ FY2021

\*Sugar Cane crushed includes 1.53 Lakh tonnes of cane diverted towards syrup-derived ethanol.

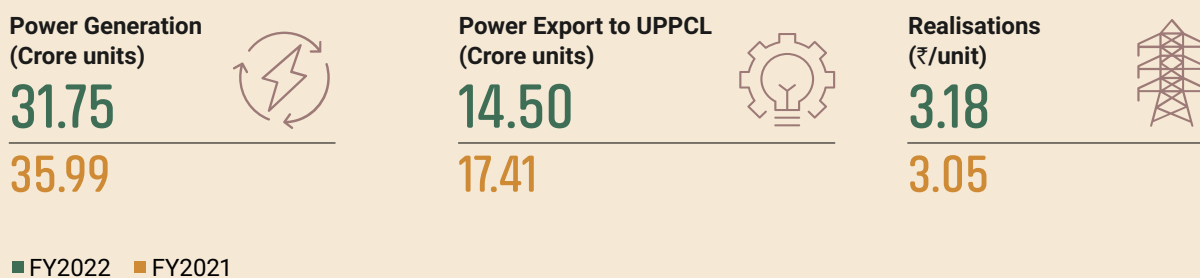
\*\*Sugar Sales in FY2022 includes exports of raw sugar of 0.38 Lakh tonnes against export of 0.40 Lakh tonnes in the previous financial year.

## Bio Fuels & Spirits (Distillery)



- Manufactured 120.38 Lakh BL syrup-derived ethanol and sold 119.60 Lakh BL at an average sale realisation of ₹ 63.20/BL.
- Manufactured 305.79 Lakh BL of B-Heavy derived ethanol and sold 295.85 Lakh BL at an average sale realisation of ₹ 57.76/BL during FY2022 against 305.43 Lakh BL production and sale of 300.76 Lakh BL at average sale realisation of ₹ 55.13/BL during FY2021.
- Sold 47.31 Lakh BL of C-Heavy derived ENA/Ethanol at average sale realisation of ₹ 27.46/BL vis-à-vis 52.30 Lakh BL sold at average sale realisation of ₹ 33.25/BL during last year.

## Renewable Energy



- Power operations continued to be carried out in an efficient manner.
- Surplus power being supplied to UPERC.
- Renewable power plants being operated at reduced capacity for lesser number of days due to lower tariff. The Company is optimising revenue by selling the surplus bagasse.



# Our Social Endeavours

Our Corporate Social Responsibility (CSR) framework goes beyond regulatory compliances. We remain proactively invested in the uplift of our farmer associates. We had embraced the culture of societal caring and sharing long before CSR initiatives were mandated by the Government.



## Skillfulness & Education

We serve our communities by promoting education through the establishment of schools for children in rural areas. We have also prioritised the empowerment of women through income generating skill development programmes/ courses and facilitating Self-Help Groups, etc.

Farmers are another key target group, and we are engaged in educating them on new farming techniques, animal husbandry, innovative farming machines, disadvantages of using chemicals & pesticides, road safety, among others.

### Initiatives being undertaken in this area:

- Operating 2 schools in Asmoli and Gannaur, with the objective of providing quality education to children in rural India
- Providing training & encouraging Mahila Samoochs (Self-Help Groups)
- Running Computer Literacy Programme for village students
- Conducting regular Kisaan Goshtis (farmer seminars), and training & awareness programmes among farmers (Kisaan Mela or Farmer Fairs)
- Organising Road Safety Week in villages





## Sports

We consciously promote fitness and sports among children and youth of rural areas. We provide them access to high quality sports complexes, sponsoring deserving talent and organising Yoga training, among other initiatives.

**Our Sports promotion initiatives during FY2022 included:**

- Renovation of school playgrounds
- Yoga programmes at our schools
- Sponsoring talent for various sports



## Save Environment

As part of our 'Save Environment' initiative, we undertake projects to promote sustainability and conservation measures, such as rejuvenation of ponds, installation of handpumps, water tanks, plantations, supply of organic fertilisers, etc.

**Our FY2022 projects covered:**

- Cleaning of ponds
- Adoption & rejuvenation of ponds
- Variety of plantations in villages
- Installation of handpumps for clean drinking water
- Rainwater harvesting system
- Supply of organic fertilisers, pesticides, etc. to farmers







## Social Welfare

Our social welfare outreach is mainly focussed on promotion of preventive healthcare. Besides organising Free Mobile Health Camp Services through the PHD Rural Development Foundation, we conduct regular awareness campaigns on female hygiene in rural areas. Other interventions in healthcare include diagnostic tests for Hepatitis-C. Construction of roads is another key area of our social welfare programmes.



**During the COVID pandemic, we supported needy families through distribution of essential food items, additional beds in hospital, among other measures.**



We scaled up our social welfare programmes during FY2022 across our intervention areas:

### HEALTH

- Free Mobile Health Camp Services through PHD Rural Development Foundation
- Generic & eye check-up camps
- Hepatitis-C tests, ultrasounds & medication
- Distribution of Female Hygiene Kits on IWD 2022
- Distribution of Oxygen concentrator and Oximeters
- Supply of beds in hospital
- Distribution of masks & sanitisers in villages
- Sanitisation of villages through sprays

### INFRASTRUCTURE

- Construction of village roads
- Road Direction Signage at highways

# Management Letter



**Our Credo,  
“Sustainability and  
Balance”, underpins our  
strategy, operations and  
management philosophy,  
and will be the key driver  
of this journey.**

## Dear Shareholders,

I would like to commence my maiden letter with sincere gratitude for the overwhelming support for the demerger.

This was a challenging and a unique year.

A restructuring proposal was brought before the Board of the Undivided company on March 27, 2021 and the demerger was approved on June 7, 2021. With the demerger being a time-consuming process, it was important to manage the transition smoothly, without disruption and while continuing to pursue new initiatives like the distillery's capacity expansion, debottlenecking and various other capital expenditures. (The total capex in FY2022 was ₹162 Crore).

During the Covid Delta wave, our plants were operating without disruptions. We managed to execute the planned capex during this wave.

We also played our part in helping our community through procurement and distribution of oxygen concentrators, medical aid, food distribution, and the commissioning of an oxygen plant.

This is our first year as an independent company and I would like to briefly outline our strategy and operating principles that will define the road ahead of us.

As an agribusiness, our Company is interwoven with the rural economy and bio fuels, which gives us the opportunity to make an outsized impact on our environment.

Our Credo, “Sustainability and Balance”, underpins our strategy, operations and management philosophy, and will be the key driver of this journey. I'd like to take this opportunity to share with you in more detail what we mean by these two simple, yet powerful terms.

### Sustainability

- Strong focus on preserving and nurturing our natural surroundings through environment-friendly operations.
- Sustained investments in eco-friendly business segments, for the benefits of all our stakeholders.

### Balance

- Endeavours to find the right balance between growth, new initiatives and prudent financial discipline.
- Balancing the aspirations and requirements of our large and diverse stakeholder base – farmers, suppliers, employees, lenders, shareholders and regulators, and the community at large.



## Our Strategy

Our Strategy is designed to build on our strengths while exploring new avenues for growth.

This strategy, summarised by “Innovation”, “Integration” and “Value Creation”, helps us create a “flywheel” for our business – allowing us to improve production capabilities, diversify our product range, and achieve a higher margin through better price propositions and lower costs. We believe this will help ensure sustainable success.

### Innovation

- Building on our innovation strength
- New products and strategies to improve business sustainability & balance

### Integration

- Extracting the full potential of sugarcane by producing sugar, bio fuel, molasses and power from the crushed cane
- Ensuring backward and forward integration, backed by sustainable practices

### Value Addition

- Going beyond our prime sugar & agri business to provide value-additions
- Forays into synergistic areas of growth and premiumisation

Favourable government policies continue to contribute towards long-term growth, coupled with value creation for our investors, shareholders, customers, business partners and employees.

I strongly believe that no by-product generated in our production process is a ‘waste’ – rather, every by-product is an opportunity for vertical integration, or product

diversification, which will act as new engines of growth. As a responsible corporate committed to driving sustainable growth in the collective interest of all our stakeholders. We shall continue to invest strategically in environment-friendly products, processes and practices.

### Our key areas of focus are highlighted below:

- **Organic growth** in Asmoli and Meerganj by increasing cane acreage
- **Cane development** for the Company to increase yield and recovery
- **Expansion** of our Asmoli and Meerganj units’ sugar and distillery capacity, but in a balanced manner – ensuring adequate cane supply
- **Value addition** by exporting refined sugar and tapping institutional markets
- **Manufacturing country liquor** instead of selling molasses
- Continuously optimising our operations and **reducing our energy consumption.**
- **Development** of a talented, diverse team
- **Driving ESG initiatives** to further the progress we have made in being sustainable, community-driven and transparent

Our targeted investments and innovations across our business segments, backed by capacity expansion and diversification into new product lines, should pave the way for sustainable growth.

I assure you that my colleagues and I will work to the best of our ability to validate the faith you have placed in us.

Sincerely,

**Gautam Goel**

Managing Director



# Management Discussion and Analysis



## INDIAN ECONOMIC REVIEW

In sharp contrast with the global economic trends, the Indian economy showed a promising turnaround in 2021-22, with its GDP rebounding from de-growth of 7.3% in 2020-21 to a growth of 8.6%. By the end of 2021-22, India was one of the six largest economies in the world.

Source: (IMF, NSO)

## INDIAN SUGAR SECTOR OVERVIEW

With the Government's focus on the Bio Fuel policy, the sugar industry has witnessed a complete turnaround. India, which was the largest consumer of sugar, has now become the largest producer as well. India has consistently produced over 300 Lakh Tonnes sugar over the past 4 years, barring 2019-20. The current year's production estimates have

been revised and the country is now estimated to produce over 395 Lakh Tonnes of sucrose. Sugar production will be around 360 Lakh Tonnes after diversion of 35 Lakh Tonnes to ethanol.

As per initial industry estimates, the opening stock of sugar for 2021-22 season was 107 Lakh Tonnes, with sugar production of 312 Lakh Tonnes and domestic consumption of 265.5 Lakh Tonnes. At the start of the season, the industry had estimated export of 72 Lakh Tonnes in 2021-22. However, the production estimates were revised to 360 Lakh Tonnes, net of Ethanol diversion, enabling India to export over 100 Lakh Tonnes sugar in the 2021-22 season. Due to shortfall in production globally, Indian sugar filled the gap nicely and no subsidy was required for export during the season.





### India Sugar balance (Lakh Tonnes)

(October - September)	2020-21	2021-22(E)
Opening Stock	106	82
Sucrose production	335	395
Diversion to ethanol	24	35
Sugar production	311	360
Consumption	266	273
Export	69	107
Raw Sugar	38	72
Crystals	31	35
Closing Stock	82	62
3 months consumption	67	68

Maharashtra is expected to produce 138 Lakh Tonnes sugar this year, as compared to 106 Lakh Tonnes in the previous year. This will be the highest ever sugar production by the state; they also accounted for the maximum exports this year.

UP is expected to produce 105 Lakh Tonnes sugar this year as compared to 111 Lakh Tonnes last year. The decline has been mainly due to lower yield and recovery.

Karnataka is another state estimated to report a new record in production this year. They are expected to produce 60 Lakh Tonnes sugar this year, compared to 45 Lakh Tonnes last year - a 33% increase YOY.

### Key Sugar Producing states

#### State-Wise Production as on May 30, 2022 (Lakh Tonnes)

State	2021-22
UP	102.4
Maharashtra	137.3
Karnataka	58.4
Others	54.8
<b>Total</b>	<b>352.9</b>

\*Data source ISMA.





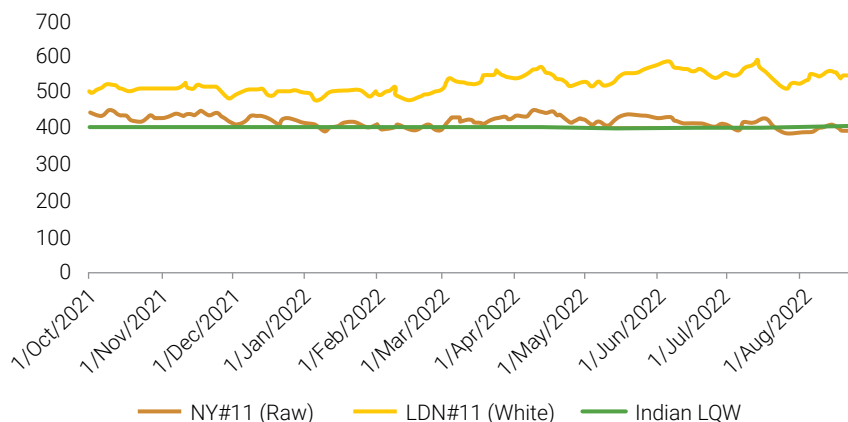
## EXPORTS

Due to lower production in Brazil, which feeds the major sugar demand globally, India got an opportunity to export sugar. It is expected that India will export over 100 Lakh Tonnes sugar this year, which will be the highest ever exports reported by India till date. The high world market prices have enabled low-cost producers like Maharashtra and Karnataka to take advantage of the situation and export sugar to various locations. This year, due to the

high world market prices, the Indian government did not need to provide any subsidy, which had been causing additional burden to the exchequer.

Trade flows for Refined White sugar have been extremely tight, resulting in high White premiums for Indian refined sugar producers to get better revenue from world markets. The trend is expected to continue in the next season as well.

### World Prices vs Indian Price



(Source: ICE Liffe London Soft Commodities)

## GLOBAL SUGAR OUTLOOK

Globally, the sugar balance sheet moved from deficit to surplus in 2021-22. Brazil produced 385 Lakh Tonnes sugar in 2021-22 and is estimated to produce 320 Lakh Tonnes in the current year. European Union has been suffering from one of the worst droughts and their production is getting hampered year-on-year - EU produced 155 Lakh Tonnes during the 2021-22 season. Thailand produced 101 Lakh Tonnes sugar in 2021-22, and is expected to increase its production by 20 Lakh Tonnes in the next season.

The main driver in this surplus has been the Indian and Thailand production, which has balanced the deficit. The Brazilian deficit helped India export a record 100 Lakh Tonnes sugar during the 2021-22 season and there was no additional burden on the government for subsidy.

### World Sugar Balance (Lakh Tonnes)

January-December	2020-21	2021-22(E)
Production	1,741	1,802
Consumption	1,709	1,741
Surplus/deficit	32.0	61.0

### Main Producers

Region	Production (Lakh Tonnes)
Brazil	385
EU	155
Thailand	101

## FAIR AND REMUNERATIVE PRICE (FRP) & SAP

Fair & Remunerative Price (FRP) for procurement of Sugarcane, which is announced by the Government of India, increased from ₹ 2,850 per tonne (SS 2020-21) to ₹ 2,900 per tonne for sugar season 2021-22 (linked to a basic recovery of 10%).

State Advised Price (SAP) for sugarcane procurement is announced by the Government of Uttar Pradesh every year. SAP was increased from ₹ 3,250 per tonne (SS 2020-21) to ₹ 3,500 per tonne for sugar season 2021-22 for Uttar Pradesh (Early Cane Variety).

Uttar Pradesh SAP was increased by 8% viz 2% increase in the FRP for the current season 2021-22. Increase in cost of production without the commensurate increase in the selling price of sugar led to a reduction in margins in the sugar segment.

## MINIMUM SELLING PRICE

The minimum selling price of sugar in India was revised to ₹ 31,000 per tonne in 2019.

## Industry SWOT Analysis

### STRENGTHS

- India, the world's second-largest sugar producer, is more than self-sufficient in terms of sugar consumption
- There is availability of abundant arable land in the country
- The industry helps rural communities by providing employment opportunities
- By-products such as bagasse and molasses are used to produce cogenerated energy for captive use and commercial sale, as well as ethanol
- Sugarcane crop is one of the most lucrative cash crops in India

### WEAKNESSES

- The country's production is highly reliant on monsoon rains
- Plantation white sugar from India is not in high demand in international markets
- Sugar industry is a highly capital intensive industry

### OPPORTUNITIES

- Sugar demand in India is rising as a result of the growing population and higher downstream demand
- The scope of producing ethanol is immense in India

### THREATS

- Import of sugar at cheaper prices might have an impact on the nation
- Sugarcane prices are affected by the sugar industry's reliance on rainfall, planted acreage and transportation costs
- Increased production without exports may result in oversupply in the domestic sugar market





## BIO FUEL SECTOR OVERVIEW

During 2022-2027, the bio fuels market is expected to grow at a CAGR of more than 7%. The demand for secure, sustainable and clean energy, combined with government mandates to increase bio fuel blending in vehicle fuels, is predicted to push biofuel demand around the world. By 2026, Asia is expected to produce more biofuel than Europe due to India's expanding need. While global demand for bio fuels is expected to rise by 28% yearly, to 186 billion litres, by 2026, Asia is expected to contribute over 30% of the new output over the predicted period.

## GOVERNMENT INITIATIVES

In a significant move to make India self-sufficient in biofuel, the Union Cabinet, chaired by Prime Minister Mr. Narendra Modi, approved amendment to the National Policy on Biofuels in May 2021, advancing the deadline for mixing 20% ethanol into gasoline from 2030 to 2025-26. At present, ethanol is blended with gasoline to a degree of about 10%.

The Government is encouraging sugar mills and distilleries to enhance their distillation capacities, and is enabling them to avail loans from banks. For such loans, the interest subvention at 6% or 50% of the interest charged by the banks, whichever is less, is carried by the government. This interest subvention scheme is estimated to attract an investment of ₹41,000 Crore. (Source: Economic Times, Business Standard) .

The Government has also started a trial project for 100% ethanol as fuel (E 100) at three locations in Pune.

The ethanol prices for supply year 2021-22 have been increased across categories, and are as follows:

Feedstock	Ethanol price (₹/KL)	
	2020-21	2021-22
Sugar Syrup based Ethanol	62,650	63,450
B-Heavy Molasses based Ethanol	57,610	59,080
C-Heavy Molasses based Ethanol	45,690	46,660
Damaged Food Grain based Ethanol	51,550	52,920
Surplus Rice based Ethanol	56,870	56,870

The bifurcation of allocation vis-à-vis last year's allocation in different categories is as follows:

Particulars	2020-21 (Crore Litre)	2021-22 (Crore Litre)	YoY change (%)
Allocated Quantity:			
-Cane Juice	44.59	79.94	79%
-B-Heavy	201.35	266.03	32%
-C-Heavy	60.21	12.67	-79%
-Damaged grains & surplus rice	47.46	81.48	72%
<b>Total Allocation</b>	<b>353.61</b>	<b>440.12</b>	<b>24%</b>



State-wise ethanol supply for states till date is as follows :

State	Quantity (Crore Litre)		% of total supply	State Blending %
	Contracted Qty.	Supplied Qty.		
UP	61.14	33.61	14	10.61
Maharashtra	59.39	28.42	12	10.51
Karnataka	34.3	18.13	8	10.68
Bihar	17.14	7.19	3	10.07
Andhra Pradesh	18.59	11	5	10.62
Uttarakhand	2.94	1.57	1	10.13
Madhya Pradesh	19.08	10.63	5	10.32

India has achieved the target of 10% ethanol blending five months ahead of schedule, as per the Ministry of Petroleum and Natural Gas.

## RENEWABLE ENERGY SECTOR OVERVIEW

The installed capacity across power stations of India totalled 10,175.61 MW of cogeneration-based renewable power as on February 28, 2022. With the increasing diversion of bagasse for cogeneration, the renewable power derived from the sugar sector is expected to grow faster in the foreseeable future.

(Source: Renewable Energy Industry, Solar Energy Companies in India - IBEF)

## COMPANY SNAPSHOT AND MILESTONES

DBO's legacy of innovation and excellence goes back to 1933, when the undivided company (Dhampur Sugar Mills Ltd.) was incorporated and the first sugar mill was set up in Dhampur. With the demerger, approved by the undivided entity's Board of Directors in June 2021, DBO has now embarked on an independent journey to scale new horizons of growth and expansion by unlocking greater value across its business chain. Being one of the first sugar firms in India to grasp the value of operating 'Integrated Sugar Cane Processing Complexes', we are now focussed even more concertedly on consolidating our integrated business proposition.

The strategic location of our three plants in the traditional cane growing belt of western-central Uttar Pradesh, India, and in close proximity to one another, gives DBO a competitive edge. The facilities also have the advantage of scale, at the back of DBO's ability to enhance cane availability by augmenting planting and enhancing production.

While we continue to strengthen and expand the sugar business, our robust distillery business has emerged as another key driver of our growth strategy. In FY 2021-22, we expanded our distillery capacity from 1,50,000 LPD to 3,12,500 LPD on B-Heavy molasses at the Asmoli plant.

As an agri business, we see ourselves as environmental stewards, working to balance economic and environmental benefits for ourselves, our employees, farmers associates, the regions of our operations, and the environment in general. The Credo – Sustainability & Balance – encapsulates DBO's business philosophy, and in line with the same, we have embraced CSR as a core tenet.

### Strength

- The undivided company was one of the first in the industry to foray into renewable energy production. In India, DBO is one of the leading producers of ethanol and sugarcane derivative products.
- The undivided company pioneered the production of sulphur-less sugar.
- DBO operates two sugar refineries (Asmoli and Mansurpur), allowing us to increase the percentage of value-added sugar in our product mix. The raw sugar produced at Meerganj plant is being converted into refined sugar at Asmoli plant.
- We pursue balance between innovation and integration (power, ethanol and sugar) - the ratio is among the top percentile in the country.

### Opportunities

- Our plants have the ability to grow organically in the near future.
- Biofuels and renewable energy are high on the government's priority list.
- The favourable Government policies, giving impetus to increase the biofuel production, coupled with our raw material expansion, will drive significant growth in our ethanol and sugar production capabilities (leading, in turn, to substantial growth in ethanol production, as well as growth in sugar and power).



## Divisional Analysis

### SUGAR BUSINESS



As of March 31, 2022, we had a total cane crushing capacity of 22,000 TCD. Our manufacturing facilities (Asmoli, Mansurpur and Meerganj) are located in Uttar Pradesh's cane-growing districts. We produce refined sugar (packed and branded), white sugar, and retail sugar. Over time, we have strengthened our manufacturing capabilities through upgradation of technology, providing training, and specialisation, thereby improving quality, output, efficiency and environmental compliance.

#### Highlights, FY 2021-22

- We crushed 40.33 Lakh Tonnes of cane in FY 2021-22 compared to 41.55 Lakh Tonnes in FY 2020-21.
- We produced 3.97 Lakh Tonnes of sugar.
- We sold 3.63 Lakh Tonnes of total sugar.
- We exported 0.38 Lakh Tonnes of raw sugar during FY 2021-22.
- We reported 2.58 Lakh Tonnes of inventory as on March 31, 2022 (including raw sugar of 0.30 Lakh Tonnes) valued at an average of ₹ 32.77 per kg.
- We diverted 1.53 Lakh Tonnes of sugarcane crushed (out of 40.33 Lakh Tonnes of total cane crushed) and sugar sacrifice of 1.63% towards B-Heavy derived ethanol.

#### Outlook

We are well positioned to sweat resources, with ambitions to increase cane crushing capacity over the next five years. We will focus on producing quality sugar. It will continue to encourage farmers to plant high-yield cultivars with the goal of increasing sugar recovery by lowering cut-to-crush time, optimising procedures, and reducing sugar losses.

## BIO FUEL & SPIRITS BUSINESS



The undivided company entered the downstream molasses processing business in 1991 when it opened a distillery at one of its units. The distillery also produces rectified spirit, ENA, special denatured spirit, in addition to fuel ethanol. The Government's ethanol blending programme has increased ethanol consumption by oil marketing companies and boosted DBO's capacity utilisation. In Uttar Pradesh, we are one of the major providers of B-heavy and sugar cane juice derived ethanol.

### Highlights, FY 2021-22

- We have successfully expanded distillery capacity from 150,000 LPD to 312,500 LPD on B-Heavy molasses.
- We produced 456.03 Lakh bulk litres of ethanol against 351.76 Lakh bulk litres of ethanol in the previous year.
- We have started producing ethanol derived out of sugarcane juice and produced 120.38 Lakh bulk litres of ethanol from sugarcane juice in FY 2021-22.
- We marketed 462.76 Lakh bulk litres of ethanol at an average of ₹ 56.07 per litre compared to 353.06 Lakh bulk litres at an average ₹ 51.89 per litre in FY 2020-21.
- EBIT margin for the business stood at 24% in FY 2021-22, increasing to ₹ 63.04 Crore.
- Even during the lockdown, the plant remained fully operational.

### Outlook

We intend to expand/optimize its capacity and enhance its ethanol output at the right time. We are in a position to supply ethanol made from cane juice, which could boost realisations.

## RENEWABLE ENERGY BUSINESS



The undivided company entered the co-generation sector more than two decades ago to enhance the value of bagasse created during sugar production. It was one of the first in the Indian sugar business to install a 105 kg/square centimetre pressure boiler, resulting in a higher steam yield ratio from bagasse. It gradually increased its co-generation capacity to 95.5 megawatts.

### Highlights, FY 2021-22

- We generated 31.75 Crore units in FY 2021-22 compared to 35.99 Crore units in FY 2020-21.
- We sold 14.50 Crore units in FY 2021-22 compared to 17.41 Crore units in the previous year.
- We earned an average of ₹ 3.18 per unit compared with ₹ 3.05 per unit in FY 2020-21.
- EBIT margin stood at 30% in FY 2021-22.
- The steam-to-fuel ratio improved across its three plants.

### Outlook

We plan to invest in new, modern, technically-superior equipment in the future to generate more power with less steam. We want to boost efficiency and further enhance the steam-to-fuel ratio across all its units.



## RISK MANAGEMENT

### Risk



**Demand Risk – Sugar Industry prone to cyclical**

### Impact

A situation where supply exceeds demand could have an adverse impact on the Company.

### Mitigation

The integrated business model of DBO, with judicious utilisation of its by-products for manufacture of biofuels and renewable energy, has reduced the impact of sugar cyclical on us. The Government support, in the form of minimum support price for sugar and flexibility for diversion of sugar to ethanol, led to the business sustainability.



**Government Policy Framework**

Government policies might impact revenues and earnings of the Company.

The Government's role has been very positive, with favourable policies such as steps for reduction of excessive stock of sugar in India, promotion of ethanol blending programme with increase in ethanol prices, and allowing more diversion of sugar into ethanol.



**Geographical Risk – Sugarcane availability and its quality**

The Company's operations could be impacted by distance between mills and cane fields.

The mills of DBO are located in the significant catchment area of cane-growing fields and are well connected by roadways. The cane development team engages with the farmers for cane planting, disease infestation management, and other cane development activities.



**Environment Regulatory Risk**

Business operations might be impacted due to changes in environment policies etc.

We continuously invest in environment-friendly initiative. We have installed Multi Effect Evaporator sets in distillery units to concentrate spent wash (waste of distillery). The new design uses the residual heat of distillation vapours. It is being used as fuel in especially designed slop boilers (incinerators), which will save environment from pollutants.



**Operational Risk**

Inability of the management to carry out operations efficiently.

The senior management of DBO has vast experience of sugar plant operations.



**Financial Risk**

Sugar Industry is a capital-intensive industry and higher indebtedness may put the Company at risk.

We have been consistently repaying its debts, bolstering its financial position.

## FINANCIAL OVERVIEW

### I. Analysis of the statement of profit and loss

- **Revenues:** Revenues from operations stood at ₹ 1,540.90 Crore in FY 2021-22. Other Incomes of the Company accounted for only 0.5% share of the Company's revenues, reflecting its dependence on its core business operations.
- **Expenses:** Total expenses of the Company stood at ₹ 1,419.62 Crore in FY 2021-22, accounting for 92% of the total revenue of the Company. Raw material costs, including changes in inventories, stood at ₹ 1,131.59 Crore in FY 2021-22, accounting for 73% share of the Company's revenues. Employee expenses stood at ₹ 73.63 Crore in

FY 2021-22, accounting for a 5% share of the Company's revenues. Finance costs and other expenses accounted for ₹ 30.13 Crore and ₹ 152.98 Crore respectively in FY 2021-22.

### II. Analysis of balance sheet

- **Source of funds:** The capital employed by the Company increased by 44% - from ₹ 1,200.72 Crore as on March 31, 2021 to ₹ 1,734.79 Crore as on March 31, 2022. Return on capital employed, a measure of returns derived from every rupee invested in the business, stood at 9.17% in FY 2021-22.

The net worth of the Company increased by 13%, from ₹ 774.95 Crore as on March 31, 2021 to ₹ 877.45 Crore as on March 31, 2022, owing to plough-back of accruals. The Company's equity share capital stood at ₹ 66.39 Crore, comprising 663,87,590 equity shares of ₹ 10 each, allotted pursuant to the scheme of arrangement.

Long-term debt of the Company increased by 6% to ₹ 104.83 Crore as on March 31, 2022. Long-term debt equity ratio of the Company stood at 0.12 in FY 2021-22 compared to 0.13 in FY 2020-21. Gross debt stood at ₹ 822.79 Crore, which includes ₹ 104.83 Crore long-term loan, ₹ 664 Crore of working capital loans, and current maturity of long-term loans of ₹ 53.96 Crore.

Finance costs of the Company stood at ₹ 30.13 Crore in FY 2021-22. The Company's interest cover stood at a comfortable 5.28x in FY 2021-22.

### III. Application of funds

Gross fixed assets of the Company increased by 5%, from ₹ 1,084.52 Crore as on March 31, 2021 to ₹ 1,134.46 Crore as on March 31, 2022. Accumulated depreciation on tangible assets decreased by 3% from ₹ 462.98 Crore in FY 2020-21 to ₹ 450.39 Crore in FY 2021-22.

### IV. Working capital management

Current assets of the Company increased by 36% - from ₹ 900.57 Crore as on March 31, 2021 to ₹ 1,221.95 Crore as on March 31, 2022 owing to an increase in inventories of the Company. The Current and Quick ratios of the Company stood at 1.28 and 0.17 respectively in FY 2021-22.

Inventories including raw materials, work-in-progress and finished goods, among others, increased by 47% - from ₹ 717.39 Crore as on March 31, 2021 to ₹ 1,056.64 Crore as on March 31, 2022. The inventory cycle stood at 210 days of turnover in FY 2021-22.

Trade receivables increased marginally, from ₹ 106.56 Crore as on March 31, 2021 to ₹ 107.51 Crore as on March 31, 2022. The Company's debtors' turnover cycle stood at 25 days in FY 2021-22.

Cash and bank balances of the Company increased by 66% from ₹ 13.87 Crore as on March 31, 2021 to ₹ 22.98 Crore as on March 31, 2022. Loans and advances made by the Company decreased by 60%, from ₹ 5.88 Crore as on March 31, 2021 to ₹ 2.35 Crore as on March 31, 2022.

### V. Margins

The EBITDA margin stood at 12.29% while net profit margin stood at 6.58%.

### Key Ratios and Numbers \*

Particulars	FY 2021-22
EBITDA/Turnover (%)	12.29
EBITDA/Net interest ratio (x)	6.32
Total Debt-equity ratio (x)	0.93
Long Term Debt-Equity ratio (x)	0.12
Return on equity (%)	11.71
Book value per share (₹)	132.17
Earnings per share (₹)	15.35
Debtor's turnover (days)	25
Inventory turnover (days)	210
Interest coverage ratio (x)	5.28
Current ratio (x)	1.28
Net Profit margin (%)	6.58

\*The Demerged undertakings of the demerged company have been vested in the Company from the appointed date of April 1, 2021. The audited Financial Information of the Demerged undertakings is not available for FY 2020-21. Accordingly, the required ratio could not be reported for the previous FY 2020-21.

### Internal Control Systems and their Adequacy

The Company's internal audit system has been monitored and updated on a regular basis to guarantee that assets are safeguarded, established regulations are followed, and pending issues are immediately resolved. On a regular basis, the audit committee examines the internal auditors' reports. The committee takes note of the audit findings and, if necessary, takes corrective action. It stays in continual contact with external and internal auditors to ensure that internal control systems are functioning properly.

### Human Resources and Industrial Relations

The Company believes that its employees' quality is critical to its success, and it is committed to providing them with the skills they need to keep up with technological changes. The Company conducted various general and specialised as well as cross-functional training programmes in a variety of categories throughout the year. As of March 31, 2022, the number of employees employed by the Company stood at 1,655.

### Cautionary statement

The statements in the management discussion and analysis describe the Company's objectives, forecasts, expectations, and estimates, which may be considered "forward-looking statements" under applicable securities laws and regulations. Several published and unpublished reports are used to compile market statistics and information. It is impossible to guarantee their accuracy, completeness and dependability.

# Board Report

To the Members

**Dhampur Bio Organics Limited**

(Formerly known as RMSD Enterprises Private Limited)

Your Directors are pleased to present the 2<sup>nd</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2022.

## FINANCIAL RESULTS

(₹ in Crore)

Particulars	Consolidated		Standalone	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	1540.90	-	1540.90	-
Profit before finance costs, tax, depreciation and amortization, exceptional items and other comprehensive income	190.39	(0.01)	194.20	(0.01)
Less: Finance costs	30.13	-	30.10	-
Less: Depreciation and Amortization expense	31.29	-	30.79	-
Profit before Tax after exceptional items	128.97	(0.01)	129.30	(0.01)
Provision for Tax	27.08	-	25.69	-
Net Profit for the year	101.89	(0.01)	103.61	(0.01)
Other comprehensive income (net of tax)	0.43	-	0.09	-
Total comprehensive income for the year	102.32	(0.01)	103.70	(0.01)

## OPERATIONAL PERFORMANCE

The key operational data of the Company is as under:

### Sugar operations at a glance

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cane crushed (in lakh ton)	40.33*	41.55
Net Recovery (%)	10.23	10.81
Sugar Produced from Cane (in lakh ton)	3.97	4.49

\*includes 1.53 lac tons of cane diverted towards syrup derived ethanol.

### Renewable Energy operations at a glance

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power generated (In Cr. Units)	31.75	35.99
Sale to UPPCL (In Cr. Units)	14.50	17.41

### Bio Fuels and Spirits operations at a glance

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
RS/ENA/Ethanol produced (in lakh bulk litres)	456.03	351.76



## COMPANY'S PERFORMANCE DURING FY 2021-22

Company's Performance during the Financial Year 2020-21 (related to Demerged Undertakings) and Financial Year 2021-22 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

During the lockdown in year under review, the Demerged units were provided permission to operate. There was no material impact on the business of Demerged units and it does not foresee any material impact on the operational results and financial health as sugar which the Company is manufacturing is an essential commodity.

Due to the unpredictable and fast changing COVID-19 situation, it is very difficult to assess the future impact of COVID-19 on business operations, however entire economy is waiting for positive turnaround after overcoming this pandemic situation.

## SCHEME OF ARRANGEMENT AND LISTING OF SHARES

During the current financial year, order of the Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench was received on April 27, 2022 approving the Scheme of Arrangement between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited and their respective shareholders and creditors for demerger of the Transferred Business/Demerged Units (as defined in the Scheme and herein mentioned below) of Dhampur Sugar Mills Limited into Dhampur Bio Organics Limited with effect from the Appointed Date i.e. April 1, 2021. The said Scheme has become effective upon filing of copy of the Order of NCLT, Allahabad Bench with concerned Registrar of Companies on May 3, 2022. In consideration of the demerger and transfer of the Demerged Units, the Board of Directors of the Company issued and allotted 6,63,87,590 Equity Shares of ₹ 10/- each to the shareholders of Dhampur Sugar Mills Limited as of May 17, 2022 (record date) in the ratio of 1 (One) equity share of ₹ 10/- each (Rupees Ten only) in Dhampur Bio Organics Limited, credited as fully paid up for every 1 (One) equity share of ₹ 10/- (Rupees Ten only) each held by them in Dhampur Sugar Mills Limited. The equity shares were issued and allotted by Dhampur Bio Organics Limited pursuant to the Scheme on May 23, 2022 and shall be listed with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

'Demerged Units includes:

- i. Asmoli unit situated at Asmoli, district Sambhal (Uttar Pradesh)
- ii. Mansurpur unit situated at Mansurpur, district Muzaffarnagar (Uttar Pradesh)
- iii. Meerganj unit situated at Meerganj, district Bareilly (Uttar Pradesh)

## EFFECT OF THE SCHEME IN PREPARATION OF ANNUAL ACCOUNTS - FY 2021 COMPARED TO FY 2022

The FY 2021 refers to the period from October 26, 2020 i.e. Date of Incorporation to March 31, 2021 whereas the FY 2022 refers to the period of 12 months ended on March 31, 2022. Further, until FY 2021, our Company did not carry any business activities. However, pursuant to Scheme of Arrangement, the Demerged Undertakings erstwhile managed by Dhampur Sugar Mills Limited stands transferred to Dhampur Bio Organics Limited.

The Company has given effect to the Scheme for the year ended March 31, 2022 considering it to be an adjusting event and has accounted the same as per the pooling of interest method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met. The Company came under common control on March 31, 2021 and hence the comparative numbers have to be restated for the period of March 31, 2021. However it is not practically possible to arrive at Financial Results of Demerged Undertakings for the period one day i.e. March 31 2021, therefore, in order to present the actual scale of operations of the Demerged Undertakings for the financial year ended March 31, 2021, the management has presented the Financial Information of the Demerged Undertakings for the period of Twelve months ended March 31, 2021 as additional disclosure and not restated the statement of profit and loss account for the year ended March 31, 2021. The said Financial Information for twelve months periods of the Financial Year 2020-21 have been extracted from the disclosure in the financial Information of the Demerged Company, for the year ended March 31, 2021, which has not been separately subject to audit or review and has been presented as 'Unaudited' Supplementary Information in notes to financial statements.

Accordingly, Financial Results of Operations in FY ended March 31, 2021 are not strictly comparable with the FY ended March 31, 2022.

#### DISCLOSURE OF ACCOUNTING TREATMENT:

The Company has followed the Indian Accounting Standards referred to in Section 133 of 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.

#### CONSOLIDATED FINANCIAL STATEMENTS AND SUBSIDIARY/ ASSOCIATE & JOINT VENTURE COMPANIES

Pursuant to the Order of Hon'ble NCLT dated April 27, 2022 which became effective from May 3, 2022, the subsidiary of Dhampur Sugar Mills Limited namely, Dhampur International Pte. Ltd., an overseas Wholly Owned Subsidiary, stands transferred to and became the wholly owned 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 Company as per Companies Act, 2013 is given in the Form AOC 1 as Annexure 1 and forms an integral part of this Report.

Dhampur International Pte Ltd. (DIPL) has total revenue of ₹ 0.46 Crore for the year ended March 31, 2022 as compared to ₹ 87.85 Crore last year.

Audited Financial Statement for the subsidiary Company for FY 2021-22 have been placed on the website of the Company i.e. [www.dhampur.com](http://www.dhampur.com), and are available for inspection at the Company's registered office.

#### MATERIAL CHANGES DURING THE YEAR

Hon'ble National Company Law Tribunal, Allahabad Bench vide its order dated April 27, 2022 approved the Scheme of Arrangement between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited pursuant to which the Demerged Units stand transferred and vested in the Company with effect from April 01, 2021.

#### CHANGE IN THE NATURE OF BUSINESS

During the year under review, the Company altered its object clause, changed its name and status from private to public (from RMSD Enterprises Private Limited to Dhampur Bio Organics Limited). The same was approved by Registrar of Companies Kanpur vide certificates dated April 20, 2021, April 21, 2021 and April 22, 2021 respectively.

#### DIVIDEND

The Board does not recommend any dividend for the FY 2021-22 in view of implementation of Scheme of Arrangement.

The Dividend Distribution Policy as approved by the Board is uploaded on the Company's website at [www.dhampur.com](http://www.dhampur.com).

#### DETAILS OF UNPAID AND UNCLAIMED DIVIDEND AND INVESTOR EDUCATION AND PROTECTION FUND

In terms of the provisions of section 124(6) of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, there was no unpaid / unclaimed dividend to be transferred during the year under review to the Investor Education and Protection Fund.

#### RESERVES

The Company has earned Net Profit after tax of ₹ 103.61 Crores for the year ended March 31, 2022 which has been accumulated in Retained Earnings. During the year under review, the Company has transferred ₹ 0.35 Crores to Molasses Reserve Fund.

#### SHARE CAPITAL

Pursuant to the Scheme of Arrangement, the share capital of the Company is as under:

Authorised Share Capital	Amount (₹)
9,16,00,000 Equity Shares of ₹10 each	91,60,00,000
<b>Total</b>	<b>91,60,00,000</b>
Issued, Subscribed and Paid-up Share capital*	Amount (₹)
6,63,87,590 shares of ₹10 each (allotted to the shareholders of Dhampur Sugar Mills Limited as on the record date)	66,38,75,900
<b>Total</b>	<b>66,38,75,900</b>

*\*Prior to that the entire paid share capital of the company of ₹ 100,000 being divided into 10,000 equity share of ₹10/- each is being held by Dhampur Sugar Mills Limited w.e.f. March 31, 2021. These equity shares stand cancelled as per terms of the scheme of demerger on the allotment of new equity shares.*

Pursuant to the Scheme of Arrangement, the authorised share capital of the Company increased from 1,00,000 equity shares of ₹ 10/- each to 9,16,00,000 equity shares of ₹ 10/- each.

The Board of Directors issued and allotted 6,63,87,590 Equity Shares of ₹ 10/- each on May 23, 2022 to the shareholders of Dhampur Sugar Mills Limited (Demerged Company) as on Record Date i.e. May 17, 2022.

The new shares have been issued in dematerialised form only. The new shares allotted against the physical shares have been kept in suspense account maintained by the Company. The same shall be credited to the respective shareholders on receipt of the dematerialised account details in the manner prescribed in the Scheme and/or by SEBI. Further, the new shares shall remain frozen in the Depositories System till listing/trading permission is given by BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

During the year under review, the Company has neither issued shares with differential voting rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company under any scheme. Also, the Company has not issued any convertible instrument during the year.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Presently, the Company's Board comprises of 9 (nine) Directors, besides Chairman, Managing Director who are Executive Promoter Directors, the Board has one Whole Time Director, One Non-Executive Promoter Director and 5 (five) Non- Executive Independent Directors including one Independent Woman Director.

### Change in Directors

Mr. Vijay Kumar Goel (DIN: 00075317), who was appointed as Director w.e.f. April 08, 2021, has been appointed as an Executive Chairman of the Company with effect from May 05, 2022 for a period of three years, subject to the approval of Members at the ensuing Annual General Meeting.

Mr. Gautam Goel (DIN: 00076326), who was appointed as Director w.e.f. April 24, 2021, has been appointed as Managing Director of the Company with effect from May 05, 2022, for a period of three Years, subject to the approval of Members at the ensuing Annual General Meeting.

Mr. Ashok Kumar Goel (DIN: 00076553) and Mr. Gaurav Goel (DIN: 00076111) were appointed as Directors of the Company on April 24, 2021 and they resigned from the directorship of the Company on May 04, 2022. The Board placed on record their appreciation for the assistance and guidance during their tenure as Director of the Company.

Ms. Bindu Vashist Goel (DIN: 09591778) was appointed as Additional Director of the Company with effect from May 04, 2022. At the Extra-Ordinary General Meeting held on May 13, 2022, she was regularised as Director.

Mr. Sandeep Kumar Sharma (DIN: 06906510), who was appointed as Additional Director on April 19, 2022, has now been designated as Whole Time Director of the Company with effect from May 05, 2022 for a period of two years and approval of shareholders has been obtained in the Extra-Ordinary General Meeting held on May 13, 2022.

Mr. Nalin Kumar Gupta (DIN: 01670036) and Mr. Mukul Sharma (DIN: 00078995) were appointed as Directors of the Company on March 31, 2021 and they resigned from the directorship of the Company on May 30, 2022. The Board placed on record their appreciation for the assistance and guidance during their tenure as Director of the Company.

### Appointment of Independent Directors

Your Company has appointed following 5 (five) Independent Directors including one Women Director with effect from April 19, 2022 for a term of three years.

- Mr. Ashwani Kumar Gupta (DIN: 00108678),
- Mr. Kishor Shah (DIN: 00193288),
- Mr. Vishal Saluja (DIN: 07145715),
- Mr. Samir Thukral (DIN: 00203124) and
- Ms. Ruchika Mehra Kothari (DIN: 09151323)

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under sub-section 6 of section 149 of the Act.

The Board further confirms that the Independent Directors also meet the criteria of expertise, experience and integrity in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

Approval of shareholders regarding appointment of Independent Directors has been obtained in the Extra-Ordinary General Meeting held on May 13, 2022.

### Appointment of Key Managerial Personnel

Mr. Nalin Kumar Gupta and Ms. Ashu Rawat has been appointed as Chief Financial Officer and Company Secretary respectively of the Company with effect from May 30, 2022.

### Directors Retiring by Rotation

In order to comply with the provisions of Companies Act, 2013 and Articles of the Company, Mr. Vijay Kumar Goel, Chairman and Mr. Gautam Goel, Managing Director will retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.



Brief profiles of the Directors seeking appointment have been given as an annexure to the Notice of the ensuing AGM.

## DEPOSITS

During the FY 2021-22, the Company did not invite or accept any deposits from the public falling under the ambit of Section 73 and 76 of the Companies Act, 2013 and rules framed thereunder.

## 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 relevant notes to Financial Statements forming part of this annual report.

## RELATED PARTY TRANSACTIONS

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 Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at [www.dhampur.com](http://www.dhampur.com).

Disclosure of Related Party Transactions is set out in Note No. 45 of the Standalone Financial Statement.

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 the provisions of Section 188 of the Companies Act, 2013 and Rules made there under are not attracted. Thus, disclosure in Form AOC-2 in terms of Section 134 of Companies Act, 2013 is not required.

## CREDIT RATING

The requirement for obtaining the Credit Rating was not applicable on the Company during the year under review. Further, the Company is in the process of obtaining credit rating.

## AUDITORS

### Statutory Auditors and their Audit Report:

M/s. Mittal Gupta & Co., Chartered Accountants, (ICAI Firm Registration number 001874C) was appointed as Statutory Auditors of the Company at the 1st Annual General Meeting and shall continue to be Statutory Auditors of the Company till the conclusion of 6th Annual General Meeting to be held for the financial year 2025-26.

The report given by the Auditors on the Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2022 forms part of this Annual Report. The Auditor's comments on the Company's account are self-explanatory in nature and do not require any explanation 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

M/s S.R Kapur, (Cost Accountant) are Cost Auditors of the Demerged units for the year 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 has appointed M/s S.R. Kapur, Cost Accountant as Cost Auditors to audit the Cost Accounts of the Company for the FY 2022-23. 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 M/s S.R. Kapur, Cost Auditors of the company is included in the Notice convening Annual General Meeting of the Company.

### Internal Auditors

M/s S.S. Kothari Mehta & Co. (Chartered Accountant), are Internal Auditors of the Demerged units for the year under review.

Pursuant to the provisions of Section 138 of the Companies Act, 2013, The Board of Directors, has appointed M/s S.S. Kothari Mehta & Co., Chartered Accountants as Internal Auditors of the Company for the Financial Year 2022-23.

## INTERNAL FINANCIAL CONTROL

The Company has adequate Internal Control system with reference to the financial statements and commensurate with the size and scale of its operations. The Internal Auditors evaluate the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, prevention and detection of frauds and errors. Based on the report of internal audit,

corrective actions are undertaken by the Company, which are reviewed periodically.

### 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 for the FY 2022-23. The Secretarial Audit Report for the FY 2021-22 is annexed as Annexure 2 and forms an integral part of this report. There is no secretarial audit qualification for the financial year under review.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, is provided in a separate section and forms an integral part of this report.

### CORPORATE GOVERNANCE

A report on Corporate Governance practices followed by the Company is provided in a separate section and forms an integral part of this report. The Company is not required to prepare the Corporate Governance Report for Financial Year 2021-22. However, a voluntary Corporate Governance Report is annexed herewith.

### 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 your 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 had 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 had 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 had 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, had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### DETAILS OF BOARD MEETINGS HELD DURING THE YEAR

The Board of Directors met 9 (nine) times during the FY 2021-22 on April 01, 2021; April 08, 2021; April 24, 2021; May 05, 2021; May 28, 2021; June 07, 2021; August 03, 2021; November 10, 2021 and February 12, 2022 respectively. Time gap between any of the two consecutive meetings does not exceed 120 days.

### 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.

#### Non-Mandatory Committees

- Management Committee
- Risk Management Committee

Details of the Committees are provided in the Corporate Governance Report.

### CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING PRACTICES

During the FY under review, provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 were not applicable. However, during Current FY, the Company has formulated the Code of Conduct for Regulation, Monitoring and Reporting of Insider Trading and 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). These codes are displayed on the Company's website i.e. [www.dhampur.com](http://www.dhampur.com).

### **CODE OF CONDUCT:**

The Code contains the guiding principles for Directors and Senior Management to help in conducting business with honesty and integrity and the same has been posted on the Company's website [www.dhampur.com](http://www.dhampur.com).

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

This policy provides a secure avenue to directors, employees, business associates and other stakeholders of the Company for raising their concerns against the unethical practices.

Further, the Policy also provides adequate safeguards to the whistle blower by keeping his identity confidential and prevent victimization of persons who may use such mechanism.

The Vigil Mechanism/Whistle Blower Policy as approved by the Board is uploaded on the Company's website at [www.dhampur.com](http://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. 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 2021-22.

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 3 and forms an integral part of this report.

### **EXTRACT OF ANNUAL RETURN**

According to the provisions of Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, The draft Annual Return of the Company in Form MGT-7 has been placed on the Company's website viz. [www.dhampur.com](http://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 (31 OF 2016)**

There was no pending proceeding or application has been made under the Insolvency and Bankruptcy Code, 2016.

### **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**

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 Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure 4 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 and the same will be furnished on request.

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.

#### **DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS**

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

#### **DISCLOSURES WITH RESPECT TO SHARES IN DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:**

The Company do not have any unclaimed suspense account. However, pursuant to the scheme of arrangement, the Company has opened a Physical Share Suspense Account to keep the shares issued to those shareholders of the Dhampur Sugar Mills Limited holding shares in physical mode as on record date.

#### **ACKNOWLEDGEMENTS:**

Your Directors' would like to acknowledge and place on record their sincere appreciation to the shareholders for their confidence in the management of the Company and gratitude to the Government of India, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors' also wish to place on record their sincere thanks and appreciation for the continuing support of investors, vendors, dealers, business associates, the cane growers for their efforts in ensuring timely cane supply. Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to promote its development.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Dated: 30.05.2022

**Vijay Kumar Goel**  
Chairman  
(DIN: 00075317)

## 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 Companies (Accounts) Rules, 2014)

#### **PART “A”: SUBSIDIARIES**

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

1. Name of the subsidiary: Dhampur International PTE Limited.
2. Reporting period for the subsidiaries concerned: - April 01, 2021 to March 31, 2022.
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 = ₹ 75.9262)
4. Other Information:

<b>Particulars</b>	<b>Dhampur International PTE Limited * (₹ in Crores)</b>
Share Capital (including share application money)	36.93
The date since when subsidiary was acquired	03.05.2022 (Pursuant to Scheme of Arrangement)
Reserves & Surplus	(30.16)
Total Assets	7.38
Total Liabilities	0.61
Investments	NIL
Revenue from Operation (Previous Year)	NIL (86.52)
Profit/(Loss) before Taxation	(4.36)
Provision for Taxation	NIL
Profit after Taxation	(4.36)
Proposed Dividend	NIL
% of Shareholding	100%

- i) Name of subsidiaries which are yet to commence operations: N.A
- ii) Name of Subsidiaries which have been liquidated or sold during the year: NA

\* Based at Singapore, Trading in Commodities.

#### **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 or joint venture.

**For and on behalf of the Board of Directors**

Place: New Delhi  
Dated: 30.05.2022

**Vijay Kumar Goel**  
Chairman  
(DIN: 00075317)

**Annexure - 2**

## SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31st MARCH, 2022

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

To,  
The Members,  
**Dhampur Bio Organics Limited**  
(Formerly known as RMSD Enterprises Private Limited)  
Sugar Mill Compound, Village Asmoli,  
Sambhal Moradabad- 244304  
Uttar Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by DHAMPUR BIO ORGANICS LIMITED (Formerly known as RMSD Enterprises Private Limited) (CIN: U15100UP2020PLC136939) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of 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 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended on 31st March, 2022 according to the provisions of:

- I.
- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') (Not applicable to the Company during the audit period).
- 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 (Not applicable to the Company during the audit period);
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Not applicable to the Company during the audit period);
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (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 28th October, 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 (Not applicable to the company during the audit period);
  - 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 (Not applicable to the company during the audit period);

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, etc. as amended from time to time, mentioned above.

## II.

- Food Safety and Standards Act, 2006
- Essential Commodities Act, 1955
- U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953
- 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 Transboundary Movement) Rules, 2008
- The Factories Act, 1948
- The Industrial Disputes Act, 1947
- UP 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)
- UP GST Act, 2017
- UP Molasses Control Act, 1964
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

During the year under review the Company has filed periodical return and has not received any show cause notice having any material impact on the Company and has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as amended from time to time, 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 respect to Secretarial Standards issued by The Institute of Company Secretaries of India.

### **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,** Mr. Mukul Sharma and Mr. Nalin Kumar Gupta was appointed as Additional Director of the Company w.e.f. 31.03.2021, and were regularized as Director at the Annual General Meeting held on 28.06.2021.

**We further report that,** Mr. Vijay Kumar Goel was appointed as Additional Director of the Company w.e.f. 08.04.2021 and was regularized as Director at the Annual General Meeting held on 28.06.2021.

**We further report that:**

- The Company altered its Object Clause of Memorandum of Association of the Company in the Extra Ordinary General Meeting held on 10.04.2021. The Change in object clause was approved by Registrar of Companies, Kanpur vide certificate dated 20.04.2021.
- The shareholders approved change of name of the Company from 'RMSD Enterprises Private Limited' to 'Dhampur Bio Organics Private Limited' in Extra Ordinary General Meeting held on 10.04.2021. Certificate of Incorporation pursuant to change of name was issued by Registrar of Companies, Kanpur on 21.04.2021.
- The Shareholders approved conversion of Company from 'Private Limited' to 'Public Limited' in its Extra Ordinary General Meeting held on 10.04.2021. Fresh Certificate of Incorporation consequent upon Conversion from Private Company to Public Company was issued by Registrar of Companies, Kanpur, on 22.04.2021.
- In Extra Ordinary General Meeting held on 10.04.2021, the shareholders also approved Shifting of Registered Office from No 25 Gola Chah Rewari Moh H. No 250, Etah, Uttar Pradesh, 207001 to Sugar Mill Compound, Village Asmoli, District Sambhal, Moradabad, Uttar Pradesh- 244304. Subsequently, the same was registered by Registrar of Companies on 22.04.2021.
- The Board of Directors appointed Mr. Ashok Kumar Goel, Mr. Gautam Goel, and Mr. Gaurav Goel as Additional

Directors of the Company w.e.f. 24.04.2021 and was regularized as Director at the Annual General Meeting held on 28.06.2021.

- In the Extra Ordinary General Meeting held on 21.05.2021, the shareholders had authorized to the Board of Directors of the Company to borrow money or create security u/s 180(1)(c) and 180(1)(a) of the Companies Act, 2013, not exceeding the amount of ₹ 25,000,000,000/- (Rupees Two Thousand Five Hundred Crores Only) or to make investment or give loan/guarantee/provide any security u/s 186 of Companies Act, 2013, not exceeding the amount of ₹ 7,000,000,000/- (Rupees Seven Hundred Crores Only) in the ordinary course of business of the Company.
- The Company had appointed M/s Mittal Gupta & Co., Chartered Accountants (FRN 01874C) as Statutory Auditors of the Company at its Annual General Meeting held on 28.06.2021 to hold office for 5 (five) years i.e. from the conclusion of 1st AGM until the conclusion of the 6th AGM of the Company to be held in the Year 2026.

**We further report that,** during the current year, approval of the Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench was received on 27.04.2022 to the Scheme of Arrangement between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited and their respective shareholders and creditors for demerger of the Transferred Business/Demerger Undertaking of Dhampur Sugar Mills Limited into Dhampur Bio Organics Limited with effect from the Appointed Date i.e. 01.04.2021. The said Scheme has become effective upon filing of copy of the Order of NCLT, Allahabad Bench, with concerned Registrar of Companies on 03.05.2022.

**For GSK & Associates  
(Company Secretaries)  
FRN: P2014UP036000**

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

**UDIN: F004229D000428576  
PR No.: 2072/2022**

Date: 30.05.2022  
Place: Kanpur

## 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, 2022 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. The Company has installed steam and power saving devices equipment like Quadruple change in Quintuple, Tubular Clear Juice Heater, heat exchanger for heat recovery of exhaust condensate, hi-efficient FRP fans, O.C. filter and modifications of SRTC juice inlet launders, extra new mill for better extraction and steam saving, CPU (Condensate Polishing Unit) installed for better recycle of plant's waste water, resulting reduction of ground water consumption and reused plant's water, new falling film evaporator and hydraulic grabs, modification of forged block chain and Inline capacitor
- c. 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.

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 utilising alternate sources of energy;**

The Company has installed Multi Effect Evaporator sets in distillery units to concentrate spent wash

(waste of distillery). It is being used as fuel in especially designed slop boilers (incinerators), which will save environment from pollutants.

- iii. the capital investment on energy conservation equipment: ₹ 4.98 Crores.

### B. TECHNOLOGY ABSORPTION:

i. **The efforts made towards technology absorption:**

- a. Mega Cane Center (Cane Purchased Center) created for 24-hour cane purchased at center, This type of center operated 24 hour resulting increased in cane supply and time management of growers.
- b. Regular training program for awareness of growers for better yield.
- c. Distribution of early variety seed to growers.
- d. Distribution of pesticide on subsidised rate to improve the better yield.
- e. Automation in cane procurement.
- f. Mobile cane payment information by company to growers

- 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 ₹ 3.81 Crores 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 used and earned:

(₹ in Crores)		
Particulars	Current Year	Previous Year
Export and foreign exchange earnings*	118.16	-
Imports and expenditure in foreign currency	2.55	-

\* including third party export amounting to ₹ 81.87 crore.

**For and on behalf of the Board of Directors**

**Vijay Kumar Goel**  
Chairman  
DIN:00075317

Place : New Delhi  
Date : 30.05.2022

# Report on Corporate Governance

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Dhampur Bio Organics Limited ("The Company") believes that effective Corporate Governance is key component to enhance and maintain stakeholders' value. The Company has adopted sound management practices and adheres to the applicable regulatory and legal framework.

The Company's philosophy on corporate governance revolves around sound, transparent and fair business practices with accountability. The key features of the corporate governance policy of your Company are to maintain the highest standards for disclosure practices, professionalism, transparency and accountability in all its dealings. We practice good corporate governance not only for compliances with applicable statutes, but also to ensure transparency and to ensure that interest of all stakeholders is protected.

During the current FY, the Company is in the process of listing its shares on the BSE Limited and National Stock Exchange of India Limited pursuant to the scheme of Arrangement approved by the Allahabad Bench of Hon'ble National Company Law Tribunal, vide its order dated May 27, 2022. Though it is not applicable but as a part of good governance, we present our report on the Corporate Governance for the FY 2021-22. Hence, the requirement of various certificates including Certificate of Corporate Governance and 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 is not applicable on the Company.

## DATE OF REPORT

The information provided in this Report on Corporate Governance is as on March 31, 2022. However, some of the information is updated as on the date of the report, wherever applicable.

## BOARD OF DIRECTORS

The Board of Directors of the Company provide entrepreneurial leadership and plays a crucial role in providing strategic supervision, overseeing the management performance, and long-term success of the Company while ensuring sustainable shareholder value. Driven by its guiding principles of Corporate Governance, the Board's actions endeavour to work in best interest of the Company. The Directors hold a fiduciary position, exercises independent judgement, and plays a vital role in the oversight of the Company's affairs.

Presently, The Company's Board comprises of 9 (nine) Directors, besides Chairman, Managing Director who are Executive Promoter Directors, the Board has one Whole Time Director, One Non-Executive Promoter Director and 5 (five) Non- Executive Independent Directors including one Independent 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

The Directors of your Company comprise of qualified individuals who collectively possess the skills, competencies, and experience across diverse fields that enable them to make effective contributions to the Board and its Committees.

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

Name of Director	Core Competencies
Mr. Vijay Kumar Goel (Appointment: April 08, 2021)	Industrial Expertise, Leadership, and Information Technology.
Mr. Ashok Kumar Goel (Appointment: April 24, 2021) (Resignation: May 04, 2022)	Experience, Industrial Expertise and Leadership
Mr. Gautam Goel (Appointment: April 24, 2021)	International Exposure, Operations and Engineering, Research and Development, Strategy, Formulating Policies, Processes and Planning.
Mr. Gaurav Goel (Appointment: April 24, 2021) (Resignation: May 04, 2022)	International Exposure, Financial and Commercial, Strategy Formulation, Process and Planning
Mr. Sandeep Kumar Sharma (Appointment: April 19, 2022)	Industry Expertise, Engineering and Technology, Human Resource Management, Administration and Compliance Management.

Name of Director	Core Competencies
Mr. Nalin Kumar Gupta (Appointment: March 31, 2021) (Resignation: May 30, 2022)	Finance, Taxation and Audit, Research and Development
Mr. Mukul Sharma (Appointment: March 31, 2021) (Resignation: May 30, 2022)	Marketing, Leadership and Administration
Ms. Bindu Vashist Goel (Appointment: May 04, 2022)	Compliance Management
Mr. Ashwani Kumar Gupta (Appointment: April 19, 2022)	Finance, Taxation and Audit, Banking, Foreign Exchange Market, Legal and Risk Management
Mr. Kishor Shah (Appointment: April 19, 2022)	Finance, Taxation and Audit, Leadership, Strategic Planning, Governance and Compliance
Mr. Vishal Saluja (Appointment: April 19, 2022)	International Exposure, Risk Management
Mr. Samir Thukral (Appointment: April 19, 2022)	Global exposure in Agri-commodities, Business Strategy and Risk Management
Ms. Ruchika Mehra Kothari (Appointment: April 19, 2022)	Marketing and Export related Expertise

These skills/competencies are broad-based, encompassing several areas of expertise/ experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills and experience.

Composition of the Board, 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
					Directorship	Committee Memberships	Committee Chairmanships	
1	Mr. Vijay Kumar Goel	P, C & ED	7	Yes	2	None	None	Delton Cables Limited Dhampur Sugar Mills Limited (resigned w.e.f May 4, 2022)
2	Mr. Ashok Kumar Goel (Resignation: May 04, 2022)	NED	1	Yes	1	None	None	Dhampur Sugar Mills Limited
3	Mr. Gautam Goel	P & MD	6	Yes	1	1	None	Dhampur Sugar Mills Limited (resigned w.e.f May 4, 2022)
4	Mr. Gaurav Goel (Resignation: May 04, 2022)	NED	1	Yes	2	4	None	Mangalam Cement Ltd. Dhampur Sugar Mills Limited
5	Mr. Nalin Kumar Gupta (Resignation: May 30, 2022)	NED	9	Yes	0	None	None	
6	Mr. Mukul Sharma (Resignation: May 30, 2022)	NED	9	Yes	0	None	None	
7	Ms. Bindu Vashist Goel (Appointment: May 04, 2022)	P & NED	NA	NA	1	1	None	
8	Mr. Sandeep Kumar Sharma (Appointment: April 19, 2022)	WTD	NA	NA	1	None	None	Dhampur Sugar Mills Limited (resigned w.e.f May 4, 2022)
9	Mr. Ashwani Kumar Gupta (Appointment: April 19, 2022)	ID & NED	NA	NA	2	1	1	Dhampur Sugar Mills Limited (resigned w.e.f May 4, 2022) PNB Housing Finance Limited (resigned w.e.f May 11, 2022)
10	Mr. Kishor Shah (Appointment: April 19, 2022)	ID & NED	NA	NA	3	3	1	Bhagiradha Chemicals and Industries Limited and GWK Ltd.



S. no	Name of Director(s)	Category of Directorship	No. of Board meeting attended	Last AGM	No. of Directorships and Committee Memberships/Chairmanships			List of Directorship held in Other Listed Companies
					Directorship	Committee Memberships	Committee Chairmanships	
11	Mr. Vishal Saluja (Appointment: April 19, 2022)	ID & NED	NA	NA	1	1	None	
12	Mr. Samir Thukral (Appointment: April 19, 2022)	ID & NED	NA	NA	1	1	None	
13	Ms. Ruchika Mehra Kothari (Appointment: April 19, 2022)	ID & NED	NA	NA	1	1	None	

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

#### Notes:

- Directorship includes the one in Listed Entity including the Company(Proposed to be Listed). Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies including the Company (Proposed to be Listed).
- 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 have been made by the Directors.
- 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.
- Mr. Vijay Kumar Goel, Mr. Gautam Goel and Ms. Bindu Vashist Goel are related to each other. Brief profile of each of the above Directors is available on the Company's website: [www.dhampur.com](http://www.dhampur.com)
- None of the Non-Executive Directors except Ms. Bindu Vashist Goel hold Equity Shares in the Company.
- 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, 2021 to March 31, 2022, 9 (Nine) Board meetings were held and time gap between two consecutive board meetings did not exceed 120 days during the year 2021-22. The details are as under:

S I. no.	Date of Meetings	No. of Directors Present
1	April 1, 2021	2
2	April 8, 2021	2
3	April 24, 2021	3
4	May 05, 2021	4
5	May 28, 2021	4
6	June 07, 2021	6
7	August 03, 2021	4
8	November 10, 2021	4
9	February 12, 2022	4

**Note:** The Company changed its status from the Private Company to Public Company w.e.f. April 22, 2021. Hence, the quorum for meetings conducted till April 21, 2022 was the presence of 2 directors only.

#### BOARD TRAINING AND FAMILIARISATION PROGRAM

During the FY under review, there were no Independent Director in the Company. Hence, there was no requirement to conduct familiarization program.

However, the Company shall ensure to conduct familiarization program for Independent directors in the current financial year 2022-23 in accordance with the SEBI (LODR) Regulations, 2015.

## SEPARATE INDEPENDENT DIRECTORS MEETING

During the FY under review, there were no Independent Director in the Company. Hence, there was no requirement to conduct separate Independent Directors Meeting.

However, the Company shall ensure to have a separate meeting of Independent directors in the current financial year 2022-23 in accordance with the SEBI (LODR) Regulations, 2015 to be read with the schedule IV of the Companies Act, 2013

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING PRACTICES

During the FY under review, provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 were not applicable. However, during Current FY, the Company has formulated the Code of Conduct for Regulation, Monitoring and Reporting of Insider Trading and 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). These codes are displayed on the Company's website i.e. [www.dhampur.com](http://www.dhampur.com).

## BOARD COMMITTEES

During the FY under review, there were no committees of the Board of Directors. The various Committees of Board of Directors were constituted during the current FY consisting of Executive and Non-Executive Directors of the Company to meet the mandatory requirements of the Act and the Listing Regulations as well as to perform other critical functions.

Composition of Audit Committee is as follows:

S I .	Name of Directors	Position	Category
No.			
1	Mr. Kishor Shah	Chairman	Non-Executive Independent Director
2	Mr. Gautam Goel	Member	Managing Director
3	Mr. Ashwani Kumar Gupta	Member	Non-Executive Independent Director
4	Mr. Samir Thukral	Member	Non-Executive Independent Director

The Company Secretary acts as the Secretary to the Committee.

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

## 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.

Presently, the Board has 4 mandatory committees and 2 non-mandatory committees. The composition of such committees has also been disclosed on the website of the Company.

## AUDIT COMMITTEE

The Audit Committee is the link between the Statutory Auditors, Internal Auditors and the Board. 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 Audit Committee was constituted on May 30, 2022.

The terms of reference of the Audit Committee includes:

- Overseeing the financial reporting process, review of financial statements to ensure that they are correct, sufficient and credible;
- Reviewing adequacy of internal control systems and internal audit functions;
- Recommending appointment and remuneration of auditors to the Board of Directors;
- Reviewing the functioning of Whistle Blower Mechanism;
- Approving transactions of the Company with related parties or any subsequent modification therein;

The Committee was constituted on May 30, 2022.

The terms of reference of Nomination and Remuneration Committee includes:

- Formulating criteria for determining qualifications, positive attributes and independence of a Director;
- Recommending to the Board a policy relating to the remuneration for the directors, key managerial personnel, and other employees of the Company;
- Identification of persons who are qualified to become director and who may be appointed in senior management;
- Formulation of criteria for evaluation of Directors and Board.

Composition of Nomination and Remuneration Committee is as follows:

Sl. No.	Name of Directors	Position	Category
1	Mr. Samir Thukral	Chairman	Non-Executive Independent Director
2	Mr. Ashwani Kumar Gupta	Member	Non-Executive Independent Director
3	Mr. Kishor Shah	Member	Non-Executive Independent Director
4	Ms. Ruchika Mehra Kothari	Member	Non-Executive Independent Director

The Company Secretary acts as the Secretary to the Committee.

#### Nomination and Remuneration Policy

This policy lays down framework for selecting, nominating Directors, Key Managerial Personnel (KMPs), Senior Management of the Company and payment of remuneration to them.

The Nomination and Remuneration Policy as approved by the Board is uploaded on the Company's website at [www.dhampur.com](http://www.dhampur.com).

#### Performance Evaluation:

During the FY under review, the company was not required to conduct performance evaluation of the Board. However, in the view of reconstitution of the Board and constitution of committees, the performance evaluation of the Board, its committees and independent Directors will take place in the current Financial Year 2022-23 in accordance with provisions of Companies Act, 2013 and SEBI Listing Regulations.

#### Remuneration to Directors

During the year under review, no remuneration was paid to any director of the Company.

The Non-Executive Directors are to be 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 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.

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 shall comprise salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Further, the approval regarding appointment and remuneration payable to Chairman and Managing Director is sought by the shareholders of the Company in ensuing Annual General Meeting.

Presently, the Company does not have any Stock Options Scheme for its Directors or Employees.

#### 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.

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.

The Committee was constituted on May 30, 2022.

The Terms of Reference of the Stakeholder's Relationship Committee includes:

- Considering and resolving the grievances of security holders of the Company;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by RTA;
- Reviewing of the various measures and initiatives taken by the entity for ensuring timely receipt of dividend/ annual reports/statutory notices by the shareholders of the Company.

Composition of the Stakeholder's Relationship Committee is as follows:

Sl. No.	Name of Directors	Position	Category
1	Mr. Ashwani Kumar Gupta	Chairman	Non – Executive Independent Director
2	Ms. Bindu Vashist Goel	Member	Non-Executive Director
3	Mr. Kishor Shah	Member	Non – Executive Independent Director
4	Ms. Ruchika Mehra Kothari	Member	Non – Executive Independent Director



The Company Secretary also acts as the Secretary to the Committee.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the requirement of the Companies Act, 2013, the Committee named as Corporate Social Responsibility Committee (CSR Committee). 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 VI of the Companies Act, 2013.

Composition of CSR Committee is as follows:

S I. No.	Name of Directors	Position	Category
1	Mr. Sandeep Kumar Sharma	Chairman	Whole-Time Director
2	Ms. Bindu Vashist Goel	Member	Non-Executive Director
3	Ms. Ruchika Mehra Kothari	Member	Non – Executive Independent Director

The Company Secretary also acts as the Secretary to the Committee.

### Corporate Social Responsibility (CSR) Policy

For FY 2021-22, The provisions of Section 135 of Companies Act, 2013 relating to corporate social responsibility (CSR) were not applicable on the company. The CSR Policy as approved by the Board is uploaded on the Company's website at [www.dhampur.com](http://www.dhampur.com).

### RISK MANAGEMENT COMMITTEE

Presently, the Company does not fall under any of the criteria mentioned for constitution of Risk management committee

Composition of Committee is as follows:

S I. No.	Name of Directors	Position	Category
1	Mr. Ashwani Kumar Gupta	Chairman	Non – Executive Independent Director
2	Mr. Gautam Goel	Member	Managing Director
3	Mr. Vishal Saluja	Member	Non – Executive Independent Director
4	Mr. Sandeep Kumar Sharma	Member	Whole-time Director

The Company Secretary also acts as the Secretary to the Committee.

### Risk Management Policy

The Policy oversees, review and monitor the Risk Management process, including the critical risks, on regular basis. The Policy facilitates in identification of risks (internal and external) at appropriate time and ensures necessary steps to be taken to mitigate the risks.

The CSR Committee was constituted on May 30, 2022.

The Terms of Reference of the Corporate Social Responsibility Committee includes:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act.
- To formulate and recommend to the Board, Annual Action Plan on CSR activities;
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

and hence is not mandatorily required to constitute the Risk Management Committee. The Company has voluntarily formed Risk Management Committee for the purpose of Risk Management by the Company in its Board Meeting held on May 30, 2022.

The terms of reference of Risk Management Committee includes:

- Formulation of a detailed risk management policy and its periodic review;
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

The Risk Management Policy as approved by the Board is uploaded on the Company's website at [www.dhampur.com](http://www.dhampur.com).

### MANAGEMENT COMMITTEE

The Board has also constituted a non-mandatory committee named "**Management Committee**" in its meeting held on May 04, 2022 in order to carry out routine functions of the Company as per the powers delegated by the Board of Directors.

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 make allotment, listing of securities, dematerialization, etc.
- To perform such other function in order to facilitate business affairs of the Company.

Composition of Management Committee is as follows:

Sl. No.	Name of Directors	Position	Category
1	Mr Ashwani Kumar Gupta	Chairman	Non – Executive Independent Director
2	Mr Gautam Goel	Member	Managing Director
3	Mr Sandeep Kumar Sharma	Member	Whole-Time Director
4	Mr Kishor Shah	Member	Non – Executive Independent Director
5	Mr Nalin Kumar Gupta	Member	Chief Financial Officer

## DISCLOSURES AND AFFIRMATION

### a. 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.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at [www.dhampur.com](http://www.dhampur.com).

None of the transactions of the Company with related parties was in conflict with the interest of the Company.

### b. Vigil Mechanism/Whistle Blower Policy

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

### c. Disclosure of Accounting Treatment:

The Company has followed the Accounting Standards referred to in Section 133 of 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.

### d. Risk Management policy:

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.

### e. 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 Renewable energy and Bio Fuels & Spirits 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.

### f. Code of Conduct:

The Code contains the guiding principles for Directors and Senior Management to help in conducting business with honesty and integrity and the same has been posted on the Company's website [www.dhampur.com](http://www.dhampur.com).

### g. Compliance with Secretarial Standards:

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

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

During the year under review, no complaint/ case was filed or was pending for redressal pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**i. Fees payable to Statutory 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 2021-22 is detailed hereunder:

S I . Particulars No.	Amount (₹ in Crore)
Payment to Statutory Auditors	
1 Audit Fees	0.12
2 Tax Audit Fees	0.05

**j. 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.

**Status of Investors' Grievances:**

The Securities of the Company are proposed to be listed on the BSE Limited and National Stock Exchange of India Limited.

Details of shareholders complaints received and dealt with: Not Applicable for the FY under review.

**COMPLIANCE OFFICER**

Ms. Ashu Rawat, Company Secretary, is the Compliance Officer of the Company appointed on May 30, 2022.

The Company has made a separate e-mail id i.e. investors@dhampur.com for the benefit of investors, which is also displayed at the website of the Company.

**SHAREHOLDER'S INFORMATION:****General Meetings:**

Details of last Annual General Meetings are as follows:

AGM	Financial Year	Location	Date and Time	Details of Special Resolution Passed
1st	2020-21	Registered Office	June 28, 2021, 2.00 P.M.	No Special Resolution was passed at the Annual General Meeting.

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 2021-22**

Day and Date of 2 <sup>nd</sup> AGM	Monday, September 26, 2022
Time	4:00 P.M.
Mode	Through Video Conferencing / other Audio Visual Means
Financial Year	April 01, 2021 to March 31, 2022.
Book Closure	NA

**ADDRESS FOR INVESTORS CORRESPONDENCE:****Correspondence with Company**

Ms. Ashu Rawat  
Company Secretary  
Dhampur Bio Organics Limited,  
Second Floor, 201 Okhla Industrial Estate, Phase – III,  
New Delhi 110 020  
Ph.: 011-6905 5200,  
E-mail: investors@dhampur.com

**Correspondence with Registrar and Share Transfer Agents**

M/s Alankit Assignments Limited,  
Alankit House, 205-208 Anarkali Complex,  
Jhandewalan Extension, New Delhi 110 055  
Ph.: 011 – 42541234, 23541234, Fax: 011- 42541201  
E- mail: rta@alankit.com

**PLANT LOCATIONS:**

S No.	Unit Location	Division
1	Asmoli, Dist. Sambhal (U.P.)	Sugar, Renewable Energy and Bio Fuels & Spirits
2	Mansurpur, Dist. Muzaffarnagar (U.P.)	Sugar and Renewable Energy
3	Meerganj, Dist. Bareilly (U.P.)	Sugar and Renewable Energy

**For and on behalf of the Board of Directors**

Place: New Delhi  
Dated: 30.05.2022

**Vijay Kumar Goel**  
Chairman  
(DIN: 00075317)



# Independent Auditor's Report

**To**  
**The Members of**  
**DHAMPUR BIO ORGANICS LIMITED**  
**Asmoli, Sambhal, U.P.**

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### OPINION

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

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

comprehensive income, changes in equity and its cash flows for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing 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) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 are those matters that, in our professional Judgement, 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 matter:

#### 1. Determination of Net Realizable Value of Sugar for comparison with Cost of Production (COP) for valuation of inventory:

<p>As on March 31, 2022, the Company has inventory of sugar with a carrying value of ₹ 988.42 Crores. 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 determination of Net Realizable Value.</p>	<p>Principal Audit Procedures</p> <p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of 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 &amp; monthly quota, selling price for contracted sugar export and initiatives taken by the Government with respect to sugar industry as a whole.</p> <p>Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year-end and comparison with cost for valuation of inventory is considered to be reasonable.</p>
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## 2. Business Combination: Demerger of three undertakings from Dhampur Sugar Mills Limited and transferred to the Company – Refer Note No 44 of the Standalone Financial Statements.

As per the Scheme of Arrangement of demerger ('the Scheme'), three undertakings has demerged from Dhampur Sugar Mills Limited (DSM) and transferred to the Company w.e.f. April 1, 2021. The Scheme was approved by National Company Law Tribunal ('NCLT') vide order dated April 27, 2022. The Company has given effect of the Scheme in the standalone financial statements considering business combination under common control as per the requirements of Ind AS 103. The Scheme has a significant impact on the standalone financial statements of the Company including reserve and comparative figures basis which the same is considered as a key audit matter for the year.

Our audit procedure included the following:

- Obtained and read the Scheme, and compared the assets and liabilities pertaining to three undertakings considered for accounting as per the Scheme.
- Assessed the accounting as per applicable accounting standards including, for cancellation of shareholding of DSM and issuing of equity shares to shareholders of DSM as per the share swap ratio approved in the Scheme.
- Obtained and read the approval of National Company Law Tribunal (NCLT) giving effect to the Scheme.
- Assessed accounting in accordance with Scheme.
- Tested underlying workings used in accounting calculations, including for previous year (March 31, 2021) restated financial information of the Company.
- Read and assessed the disclosures in the standalone financial statements for compliance with disclosure requirements.

Based on the above procedures performed, the accounting of business combination and its presentation in the financial statements by the management considered appropriate and found to be in compliance with the Scheme and applicable accounting standard.

### 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 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.

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

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 (Auditor's Report) Order, 2020 ("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;
2. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
3. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls 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 with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company, as detailed in note no. 38 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022.
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented to us that, to the best of its knowledge and belief, no funds ( which are material either individually or in aggregate) have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances,

nothing has come to our attention that cause us to believe that the representation under sub- clause (i) and (ii) of Rule 11 (e) as provided under paragraph (2) (h) (iv) (a) & (b) above, contain any material misstatement.

- v) The Company has not declared or proposed dividend during the year.

**FOR MITTAL GUPTA & CO.**

Chartered Accountants  
FRN 01874C

**(Bihari Lal Gupta)**

Partner  
Membership No. 073794  
Place: New Delhi  
Date: 30.05.2022  
UDIN: 22073794ALFTLR7516

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DHAMPUR BIO ORGANICS LIMITED ON ITS STANDALONE FINANCIAL STATEMENTS DATED 30.05.2022.

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

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

- i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right-of use assets have been physically verified by the

management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its property, plant and equipment. The discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.

- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the immovable properties included in property, plant and equipment (PPE), acquired in pursuant to the scheme of arrangement of demerger of three undertakings from Dhampur Sugar Mills Limited (Demerged Company) are being held in the name of Demerged Company, pending completion of legal formalities for such transfer in Government Records as mentioned in Note No.4.1 of standalone financial statements. Details of immovable property which is yet to be executed in the name of the Company are as under:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held –indicate range, where appropriate	Reason for not being held in name of company
Land & Building of Demerged Undertakings	₹ 241.23 Crore	Dhampur Sugar Mills Limited	Holding Company	April 1, 2021	Demerger of undertakings had taken place from the appointed date April 1, 2021 which became effective on May 3, 2022. The immovable properties of Demerged Undertaking are continued to be held by DSML (Demerged Company) as at March 31, 2022. Necessary steps are being taken by the Company to get the legal formalities completed for transferring the ownership in its name in the Government records.

- (d) The Company has not revalued its property, plant and equipment (including right-of use assets) and intangible assets during the year.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) (a) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records in each class of inventory is less than 10% and have been properly dealt with in the books of accounts.
- (b) As disclosed in Note No. 47 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed



by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

(₹ In Crores)

Quarter ending	Value as per books of account	Value as per quarterly return/statement filed with lenders	Difference
June 30, 2021	710.52	735.73	(25.21)
September 30, 2021	387.40	385.57	1.83
December 31, 2021	624.92	567.09	57.84
March 31, 2022	1,102.78	1,037.59	65.19

**Reason for differences:**

As explained by the management, the differences are because the statements filed with the lenders are based on financial statements which are prepared on provisional basis, valuation of inventories on estimated cost and also on account of exclusion of certain current assets in the statements filed with the lenders.

- iii) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not made any investments or, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties during the year. Accordingly, the provisions of clause 3(iii)(a), (c) to (f), of the Order are not applicable to the company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act, with respect to investment made.
- v) According to the information and explanations given to us, in our opinion, the Company has not accepted any deposits from the public within the meaning of section 73, 74, 75 and 76 of the Act read with the Companies (Acceptance & Deposit) Rules 2014 and other relevant provisions of the Act, to the extent notified. Accordingly, the provisions of clause 3(v) of the said order are not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, in respect of Company's products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) **In respect of statutory dues:**
  - a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Income-tax, Tax deducted at sources, Tax collected at source, Sales Tax, value added tax (VAT), Goods and Service Tax (GST), Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
  - b) According to the information and explanations given to us, the particulars of Income tax, Service-tax, Sales-tax, Custom Duty, Excise Duty, Entry tax, Value Added Tax, Goods and Service Tax, which are not been deposited on account of any dispute as on March 31, 2022 and transferred in the name of company, pursuant to the Scheme of Arrangement, are as under:

	Name of the Statute	Name of Dues	Amount in ₹ Crores #	Period to which the amount relates	Forum where the dispute is pending
•	Central Excise Act, 1944	Excise Duty	0.01	2012-13	Hon'ble Supreme Court
•	Central Excise Act, 1944	Excise Duty	#	2012-13	Hon'ble Supreme Court
•	Central Excise Act, 1944	Excise Duty	0.02	2005-06	Hon'ble Supreme Court
•	Central Excise Act, 1944	Excise Duty	0.01	2003-04	Hon'ble Supreme Court
	<b>sub-total</b>		<b>0.04</b>		
•	Central Excise Act, 1944	Excise Duty	0.01	2001-02	Hon'ble High Court of Allahabad
•	Central Excise Act, 1944	Excise Duty	#	2004-05	Hon'ble High Court of Allahabad
•	Central Excise Act, 1944	Excise Duty	#	2004-05	Hon'ble High Court of Allahabad
•	Central Excise Act, 1944	Excise Duty	0.01	2004-05	Hon'ble High Court of Allahabad
•	Central Excise Act, 1944	Excise Duty	0.02	2005-06	Hon'ble High Court of Allahabad
•	Central Excise Act, 1944	Excise Duty	#	1998-99	Hon'ble High Court of Allahabad
•	Central Excise Act, 1944	Excise Duty	0.04	2010-11	Hon'ble High Court of Allahabad
	<b>sub-total</b>		<b>0.08</b>		
•	Central Excise Act, 1944	Excise Duty	0.04	1995-96	CESTAT, Allahabad Bench
•	Central Excise Act, 1944	Excise Duty	#	1996-97	CESTAT, Allahabad Bench
•	Central Excise Act, 1944	Excise Duty	0.56	2009-10	CESTAT, Allahabad Bench
	<b>sub-total</b>		<b>0.60</b>		
	Central Excise Act, 1944	Excise Duty	#	2001-02	Commissioner- Appeal
•	Central Excise Act, 1944	Excise Duty	#	2004-05	Commissioner- Appeal
•	Central Excise Act, 1944	Excise Duty	0.05	2009-10	Commissioner- Appeal
•	Central Excise Act, 1944	Excise Duty	0.31	2011-12	Commissioner- Appeal
•	Central Excise Act, 1944	Excise Duty	0.14	2015-16	Commissioner- Appeal
	<b>sub-total</b>		<b>0.49</b>		
	<b>Total Excise duty demands</b>		<b>1.21</b>		
•	Service Tax Law	Service Tax	0.26	2005-06	CESTAT, Allahabad Bench
•	Service Tax Law	Service Tax	0.11	2016-17	CESTAT, Allahabad Bench
	<b>sub-total</b>		<b>0.37</b>		
	<b>Total Excise duty &amp; Service tax demands</b>		<b>1.58</b>		
•	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.88	2001-02	Hon'ble High Court of Allahabad
	<b>sub-total</b>		<b>0.88</b>		
•	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.02	2000-01	Commercial Tax Tribunal
	<b>sub-total</b>		<b>0.02</b>		
•	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.01	2010-11	Additional Commissioner (Appeals)
	<b>sub-total</b>		<b>0.01</b>		
	<b>Total Entry tax demands</b>		<b>0.91</b>		

# represents where value is less than ₹ 50,000/-

viii) According to the information and explanations given to us, Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the company.

ix) (a) According to the information and explanations given to us and as per the books and records

examined by us, in our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender including the loans and interest which are repayable on demand.

(b) According to the information and explanations given to us and the records of the Company examined by us including representation received from the management, the Company has not been

declared wilful defaulter by any bank, financial institution or other lenders or government or any government authority.

- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On overall examination of the financial statement of the Company, prima facie, no funds raised on short term basis has been used for long term purposes by the Company.
- (e) According to the information and explanations given to us and as per the books and records examined by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company.
- (f) According to the information and explanations given to us and procedures performed by us, the company has not raised loans during the year on the pledge of securities held in its subsidiary company.
- x) (a) According to the information and explanations given to us and as per the books and records examined by us, the company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of paragraph 3(x)(a) of the Order are not applicable to the company.
- (b) According to the information and explanations given to us and as per the books and records examined by us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, the provisions of paragraph 3(x) (b) of the Order are not applicable to the company.
- xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year. Accordingly, the provisions of paragraph 3(xi) (a) and (b) of the Order are not applicable to the company.
- (b) According to the information & explanations and representation made by the management, no whistle- bower complaints have been received during the year (and up to the date of the report) by the company.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) (a) to (c) of the Order are not applicable to the company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards.
- xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the part period under audit have been considered by us.
- xv) In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the provision of paragraph 3 (xvi) (a) to (c) of the Order is not applicable to the Company.
- (b) As per information and explanation provided to us, the Group has one core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii) In our opinion, and according to the information and explanations provided to us, The Company has not incurred cash losses in the current financial year but incurred cash loss of ₹ 0.78 Lakhs in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of paragraph (xviii) of the Order are not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the standalone financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other

information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx) Since, the Company is not required to spend any Corporate Social Responsibility (CSR) expenditure under the provision of Section 135 of the Companies Act, 2013 during the year, the provisions of paragraph (xx) of the Order are not applicable to the Company.

**FOR MITTAL GUPTA & CO.**

Chartered Accountants  
FRN 01874C

**(Bihari Lal Gupta)**

Partner  
Membership No. 073794  
Place: New Delhi  
Date: 30.05.2022



## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DHAMPUR BIO ORGANICS LIMITED ON ITS STANDALONE FINANCIAL STATEMENTS DATED 30.05.2022.**

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 3(f) of 'Report on Other Legal and Regulatory Requirements' section.

We have audited the internal financial controls with reference to standalone financial statements of Dhampur Bio Organics Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Management and Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

### **AUDITOR'S RESPONSIBILITY**

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

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

was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS SYSTEM OVER FINANCIAL REPORTING WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

A Company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS**

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

### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial

reporting with reference to these standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **FOR MITTAL GUPTA & CO.**

Chartered Accountants  
FRN 01874C

### **(Bihari Lal Gupta)**

Partner  
Membership No. 073794  
Place: New Delhi  
Date: 30.05.2022

# Standalone Balance Sheet

As at March 31, 2022

(₹ in Crore)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021*
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	683.87	619.71
Right-of-Use Assets	5	6.43	8.77
Capital Work-in-progress	6	77.90	6.99
Intangible Assets		-	-
Financial Assets			
(i) Investments	7	6.62	10.63
(ii) Others	8 (i)	1.72	1.30
Other Non Current Assets	9 (i)	8.47	11.33
<b>Total Non-Current Assets</b>	(a)	<b>785.01</b>	<b>658.73</b>
<b>Current Assets</b>			
Inventories	10	1,056.64	717.39
Financial Assets			
(i) Trade Receivables	11	107.98	105.18
(ii) Cash and Cash Equivalents	12	18.55	0.68
(iii) Bank balances other than (ii) above	13	2.03	0.81
(iv) Others	8 (ii)	0.31	0.05
Other Current Assets	9 (ii)	29.72	55.79
<b>Total Current Assets</b>	(b)	<b>1,215.23</b>	<b>879.90</b>
<b>Total Assets</b>	(a+b)	<b>2,000.24</b>	<b>1,538.63</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	14	66.39	66.39
Other Equity	15	818.43	714.55
<b>Total Equity</b>	(c)	<b>884.82</b>	<b>780.94</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	16 (i)	104.83	99.19
(ia) Lease Liabilities	17 (i)	3.96	5.60
Provisions	20 (i)	17.53	17.36
Deferred tax liabilities (net)	23	27.01	24.58
Other Non-Current Liabilities	21 (i)	5.76	5.45
<b>Total Non-Current Liabilities</b>	(d)	<b>159.09</b>	<b>152.18</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	16 (ii)	717.96	295.70
(ia) Lease Liabilities	17 (ii)	1.90	2.07
(ii) Trade Payables	18		
(a) Due to Micro and Small Enterprises		3.40	0.28
(b) Other than Micro and Small Enterprises		165.22	285.67
(iii) Other Financial Liabilities	19	36.89	12.72
Provisions	20 (ii)	2.38	1.15
Other Current Liabilities	21 (ii)	27.85	7.92
Current Tax Liabilities (Net)	22	0.73	-
<b>Total Current Liabilities</b>	(e)	<b>956.33</b>	<b>605.51</b>
<b>Total Equity And Liabilities</b>	(c+d+e)	<b>2,000.24</b>	<b>1,538.63</b>

\* Restated pursuant to the Scheme of Arrangement (Refer note 44)

The accompanying notes from 1 to 58 form an integral part of the financial statements.

**This is the Balance Sheet referred to in our report of even date**

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
M. No.: 073794

**V. K. Goel**  
Chairman  
(Din 00075317)

**Sandeep Kumar Sharma**  
Whole Time Director  
(Din 06906510)

**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022

# Standalone Statement of Profit and Loss

For the year ended March 31, 2022

(₹ in Crore)

Particulars	Note No.	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>INCOME</b>			
I. Revenue from Operations	24	1,540.90	-
II. Other Income	25	7.23	-
<b>III. Total Income (I+II)</b>		<b>1,548.13</b>	<b>-</b>
IV. Expenses			
(a) Cost of Raw Materials Consumed	26	1,434.67	-
(b) Purchase of Stock-in-Trade	27	7.91	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(310.99)	-
(d) Employees benefits expenses	29	71.58	-
(e) Depreciation and Amortisation	30	30.79	-
(f) Finance costs	31	30.10	-
(g) Other Expenses	32	150.76	0.01
<b>Total Expenses</b>		<b>1,414.82</b>	<b>0.01</b>
<b>V. Profit/(Loss) Before Exceptional Items and Tax (III-IV)</b>		<b>133.31</b>	<b>(0.01)</b>
VI. Exceptional Items		4.01	-
<b>VII. Profit/(Loss) Before Tax (V-VI)</b>		<b>129.30</b>	<b>(0.01)</b>
<b>VIII. Tax Expense</b>			
(a) Current Tax	34	23.29	-
(b) Deferred Tax	34	2.40	-
<b>IX. Profit/(Loss) for the year (VII-VIII)</b>		<b>103.61</b>	<b>(0.01)</b>
<b>X. Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss	35		
- Remeasurement benefits (losses) on defined benefit obligation		0.12	-
(ii) Tax on above		(0.03)	-
B (i) Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income to be transferred to Other Equity for the year		0.09	-
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>103.70</b>	<b>(0.01)</b>
<b>XII. Earnings Per Share:</b>			
Basic : (₹)	36	15.61	(23.25)
Diluted : (₹)	36	15.61	(23.25)

The accompanying notes from 1 to 58 form an integral part of the financial statements.

**This is the Statement of Profit and Loss referred to in our report of even date**

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
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**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022



# Standalone Statement of Changes in Equity

For the year ended March 31, 2022

## A. EQUITY SHARE CAPITAL

	No. of Shares	(₹ in Crores)
<b>Balance as at October 6, 2020</b>	100000	0.10
Changes in Equity Share Capital during the period		
Add: Addition pursuant to Scheme of Arrangement*	66387590	66.39
Less: Shares cancelled pursuant to the Scheme of Arrangement	(100,000)	(0.10)
<b>Balance as at March 31, 2021*</b>	<b>66387590</b>	<b>66.39</b>
<b>Balance as at April 1, 2021</b>	66387590	66.39
Change in Equity shares Capital due to prior period errors	-	-
<b>Restated balance at April 1, 2021</b>	66387590	66.39
Changes in Equity Share Capital during the year	-	-
<b>Balance as at March 31, 2022</b>	<b>66387590</b>	<b>66.39</b>

## B. OTHER EQUITY

	Reserves & Surplus			Other Comprehensive Income	Total
Particulars	Capital Reserve	Storage Fund/ Reserve for Molasses	Retained Earnings	Remeasurement of defined benefit plans	
<b>Balance as at October 6, 2020</b>	-	-	-	-	-
Add: Addition pursuant to Scheme of Arrangement*	714.56	-	-	-	714.56
Add : Profit/(Loss) for the period	-	-	(0.01)	-	(0.01)
Add: Comprehensive Income for the period	-	-	-	-	-
<b>Balance as at March 31, 2021/ April 1, 2021*</b>	<b>714.56</b>	<b>-</b>	<b>(0.01)</b>	<b>-</b>	<b>714.55</b>
Change in Accounting Policy or Prior period errors	-	-	-	-	-
<b>Restated balance as at March 31, 2021/ April 1, 2021*</b>	<b>714.56</b>	<b>-</b>	<b>(0.01)</b>	<b>-</b>	<b>714.55</b>
Add: Profit after tax for the year	-	-	103.61	-	103.61
Add: Comprehensive Income for the year	-	-	-	0.09	0.09
<b>Add: Molasses fund created during the year</b>	<b>-</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>0.18</b>
Add/(Less): Transfer to/from storage fund for molasses/ Retained Earnings	-	0.17	(0.17)	-	-
<b>Balance as at March 31, 2022</b>	<b>714.56</b>	<b>0.35</b>	<b>103.43</b>	<b>0.09</b>	<b>818.43</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

The accompanying notes from 1 to 58 form an integral part of the financial statements

This is the Statement of Changes in Equity referred to in our report of even date.

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
M. No.: 073794

**V. K. Goel**  
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(Din 00075317)

**Sandeep Kumar Sharma**  
Whole Time Director  
(Din 06906510)

**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022

# Standalone Statement of Cash Flow

For the year ended March 31, 2022

(₹ in Crores)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Net Profit/(Loss) Before Exceptional Items and Tax:	133.31	(0.01)
<b>Adjustments for:</b>		
Interest income	(0.21)	-
Loss/(Profit) on Sale of Property, Plant and Equipment and Intangible assets (net)	(1.86)	-
Transfer to Sugar Molasses Fund	0.18	-
Depreciation	30.79	-
Interest expense	30.10	-
Allowances for expected credit loss	0.06	-
Bad debts written-off	0.65	-
<b>Operating cash flow before working capital changes</b>	<b>193.02</b>	<b>(0.01)</b>
Changes in inventories	(339.25)	-
Changes in trade and other receivables	(3.73)	-
Changes in other non current and current financial asset	(0.62)	-
Changes in other non current and other current assets	26.02	-
Changes in trade and other payables	(117.11)	#
Changes in other non-current and other current financial liabilities	24.17	-
Changes in other non-current and other current liabilities	5.83	-
Changes in long term and short term provision	1.52	-
<b>Cash (used in) / generated from operations</b>	<b>(210.15)</b>	<b>(0.01)</b>
Income taxes paid	(22.56)	-
<b>Net Cash Generated from/ (used in) Operating Activities</b> <b>A.</b>	<b>(232.71)</b>	<b>(0.01)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment and Intangible assets	(161.90)	-
Proceeds from sale of Property, Plant and Equipment and Intangible assets	17.70	-
Interest received	1.82	-
Changes in fixed deposit placed with Banks	(1.22)	-
<b>Net cash generated from investing activities</b> <b>B.</b>	<b>(143.60)</b>	<b>-</b>

# Standalone Statement of Cash Flow

For the year ended March 31, 2022

(₹ in Crores)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>C. Cash flow from financing activities</b>		
Payment of lease liability	(2.40)	-
Proceeds from equity share capital		0.01
Repayment of long term borrowings	(47.42)	-
Proceeds from long term borrowings	84.25	-
Proceeds/ (Repayment) of short term borrowings	392.50	-
Finance Cost paid	(32.75)	
<b>Net cash generated from / (used in) financing activities C.</b>	<b>394.18</b>	<b>0.01</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>17.87</b>	<b>-</b>
Cash and cash equivalents at the beginning of year	#	-
Add: Cash and cash equivalents acquired on pursuant to the Scheme of Arrangement (Refer note 44)	0.68	-
<b>Cash and cash equivalents at the end of year (refer note below)</b>	<b>18.55</b>	<b>#</b>

**Note:**

- The above cash flow statement has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS) 7.
- Figures in brackets indicate cash outflow from respective activities.
- Cash and cash equivalents as at the Balance Sheet date consists of :

(₹ in Crores)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
(i) Cash in hand	0.50	#
(ii) Cheque in Hand	15.58	-
(iii) Balances with banks	2.47	-
<b>Total</b>	<b>18.55</b>	<b>#</b>

# Represent amount less than ₹ 50,000/-

The accompanying notes from 1 to 58 form an integral part of the financial statements

This is the Statement of Cash Flow referred to in our report of even date.

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
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**V. K. Goel**  
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**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022

# Notes to the Standalone Financial Statements

## 1 COMPANY OVERVIEW

### Corporate Information

Dhampur Bio Organics Limited ('the Company') having CIN No. U15100UP2020PLC136939 is a public limited company and incorporated under the provision of the Companies Act, 2013 applicable in India. The registered office of the Company is situated at Sugar Mill Compound, Village Asmoli Sambhal Moradabad Uttar Pradesh, India.

Allahabad Bench of the NCLT, through its order dated April 27, 2022 (the "Order"), which became effective May 3, 2022 has approved the Scheme of Arrangement ("the Scheme") between Dhampur Sugar Mills Limited ("DSM" or "Demerged Company") and Dhampur Bio Organics Limited ("Resulting Company"/"The Company") and their respective shareholders and creditors. The scheme has been approved by Board of Directors of both the Companies on June 7, 2021 for Demerger of manufacturing units of Sugar, chemicals and co-generation of the Demerged company situated at Asmoli, District Sambhal, Mansurpur, district Muzaffarnagar and Meerganj, district Bareilly (Collectively referred to as "Demerged Undertakings") from Demerged Company into Resulting Company with effect from Appointed Date i.e. April 01, 2021. Accordingly, the financial statements have been prepared after giving effect of the Scheme.

The existing equity shares of the Company are at present not listed on the Stock Exchanges and are being held by DSM. As per the provision of the Scheme, the existing equity shares shall stand cancelled on allotment of new equity shares to the shareholders of DSM in the ratio of 1:1. The Company has allotted the new equity shares on May 23, 2022 and these shares will be listed on two stock exchanges namely, National Stock Exchange and Bombay Stock Exchange.

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 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 relevant amendment rules thereafter and accounting principles generally accepted in India.

These financial statements are approved and adopted by Board of Directors in their meeting held on Monday, May 30, 2022.

#### 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 is measured 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 crores and two decimals thereof, except if otherwise stated.



## Notes to the Standalone Financial Statements

### 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 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 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.

Property, plant and equipment acquired under the Scheme of arrangement of demerger of undertakings are stated at the carrying amount appearing in the books of Demerged Company.

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.

## Notes to the Standalone Financial Statements

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 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.

## Notes to the Standalone Financial Statements

The Company has used the following useful lives to provide depreciation on its tangible assets:

<b>Assets</b>	<b>Useful Lives</b>
Building	03-60 years
Plant & equipment	15-40 years
Furniture & fixtures	10 years
Weighbridge	15 years
Computers	03 years
Office equipment	05 years
Electrical appliances	15 years
Vehicles	08 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.

## Notes to the Standalone Financial Statements

### viii. 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.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the contract will flow to the Company;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- 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.



## Notes to the Standalone Financial Statements

### 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.

### ix. Expenses

All expenses are accounted for on accrual basis.

### x. 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.

### xi. 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.

### xii. 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

## Notes to the Standalone Financial Statements

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 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.

### xiii. Provision for current and deferred tax

#### (a) 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.

## Notes to the Standalone Financial Statements

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.

### (b) 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.

### xiv. Impairment of non-financial assets

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.

### xv. 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.

## Notes to the Standalone Financial Statements

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.

### **xvi. 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.

### **xvii. 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.

### **xviii. 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.

### **xix. 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 to the Standalone Financial Statements

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.

### xx. Equity Issue Expenses

Expenses incurred on issue of equity shares are charged in securities premium account in the year in which it is incurred.

### xxi. 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.

## Notes to the Standalone Financial Statements

### 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 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 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.

### 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.

## Notes to the Standalone Financial Statements

### 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.

## xxii. 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.

## Notes to the Standalone Financial Statements

- 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.

### xxiii. 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.

### xxiv. 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.

## Notes to the Standalone Financial Statements

### 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.



## Notes to the Standalone Financial Statements

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."

### xxv. 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".

### xxvi. 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.

### xxvii. 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.

## 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.

## Notes to the Standalone Financial Statements

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 subsidiary**

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

## Notes to the Standalone Financial Statements

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 to the Standalone Financial Statements

### NON-CURRENT ASSETS

#### NOTE 4: PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Land	Building	Plant & Machinery	Computers	Vehicles	Furniture and fixtures	Office equipment	Weigh-bridge	Electrical Appliances	Farm Equipments	Total
Gross block											
<b>Gross carrying amount as at October 6, 2020</b>	-	-	-	-	-	-	-	-	-	-	-
Addition on Pursuant to Scheme	150.89	87.71	818.45	4.44	7.79	3.51	1.18	4.89	2.67	0.03	1,081.56
Addition during the year	-	-	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount as at March 31, 2021*</b>	<b>150.89</b>	<b>87.71</b>	<b>818.45</b>	<b>4.44</b>	<b>7.79</b>	<b>3.51</b>	<b>1.18</b>	<b>4.89</b>	<b>2.67</b>	<b>0.03</b>	<b>1,081.56</b>
Gross carrying amount as at April 1, 2021	150.89	87.71	818.45	4.44	7.79	3.51	1.18	4.89	2.67	0.03	1,081.56
Addition during the year	-	3.14	102.91	0.83	1.71	0.15	0.08	0.17	0.49	-	109.48
Disposals/deductions during the year	(0.11)	(0.40)	(55.58)	(0.64)	(0.47)	(0.06)	(0.12)	-	(0.03)	-	(57.41)
<b>Gross carrying amount as at March 31, 2022</b>	<b>150.78</b>	<b>90.45</b>	<b>865.78</b>	<b>4.63</b>	<b>9.03</b>	<b>3.60</b>	<b>1.14</b>	<b>5.06</b>	<b>3.13</b>	<b>0.03</b>	<b>1,133.63</b>

(₹ in Crore)

Particulars	Land	Building	Plant & Machinery	Computers	Vehicles	Furniture and fixtures	Office equipment	Weigh-bridge	Electrical Appliances	Farm Equipments	Total
<b>Balance as October 6, 2020</b>	-	-	-	-	-	-	-	-	-	-	-
Addition on Pursuant to Scheme	-	36.80	408.13	3.76	3.68	3.04	0.98	3.59	1.86	0.01	461.85
Charge for the period	-	-	-	-	-	-	-	-	-	-	-
Disposal/Deductions during the year	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021*</b>	<b>-</b>	<b>36.80</b>	<b>408.13</b>	<b>3.76</b>	<b>3.68</b>	<b>3.04</b>	<b>0.98</b>	<b>3.59</b>	<b>1.86</b>	<b>0.01</b>	<b>461.85</b>
Balance as April 1, 2021	-	36.80	408.13	3.76	3.68	3.04	0.98	3.59	1.86	0.01	461.85
Charge for the year	-	3.45	23.51	0.32	0.80	0.06	0.05	0.12	0.14	-	28.45
Disposal/Deductions during the year	-	(0.34)	(39.13)	(0.60)	(0.28)	(0.06)	(0.11)	-	(0.02)	-	(40.54)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>39.91</b>	<b>392.51</b>	<b>3.48</b>	<b>4.20</b>	<b>3.04</b>	<b>0.92</b>	<b>3.71</b>	<b>1.98</b>	<b>0.01</b>	<b>449.76</b>
<b>Net Carrying Amount</b>											
<b>As at March 31, 2021*</b>	<b>150.89</b>	<b>50.91</b>	<b>410.32</b>	<b>0.68</b>	<b>4.11</b>	<b>0.47</b>	<b>0.20</b>	<b>1.30</b>	<b>0.81</b>	<b>0.02</b>	<b>619.71</b>
<b>As at March 31, 2022</b>	<b>150.78</b>	<b>50.54</b>	<b>473.27</b>	<b>1.15</b>	<b>4.83</b>	<b>0.56</b>	<b>0.22</b>	<b>1.35</b>	<b>1.15</b>	<b>0.02</b>	<b>683.87</b>

\* Restated pursuant to the Scheme of Arrangement (Refer note 44)

## Notes to the Standalone Financial Statements

### NOTE 4.1 DISCLOSURES

- i. Refer to Note 47(a) and Note 47(c) for information on Property, Plant & Equipment hypothecated as security by the Company.
- ii. Refer Note 38(II) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.
- iii. Since, all the immovable properties comprising of land and building have been acquired under the Scheme of Demerger (Refer Note 44), therefore title deeds thereof are being held in the name of the Demerged Company i.e. Dhampur Sugar Mills Limited.

Title deeds of immovable property not held in name of the Company As at March 31, 2022

Relevant line item in the Balance Sheet	Description of the property	Gross carrying amount (₹ in Crore)	Title deed held in the name of	Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the company
Property, plant and equipment	Land & Building of Demerged Undertakings	241.23	Dhampur Sugar Mills Limited	Holding Company	April 1, 2021	Demerger of undertakings had taken place from the appointed date April 1, 2021 which became effective on May 3, 2022. The immovable properties of Demerged Undertaking are continued to be held by DSML (Demerged Company) as at March 31, 2022. Necessary steps are being taken by the Company to get the legal formalities completed for transferring the ownership in its name in the Government records.

- iv. There are no proceedings against the holding company, being the Company registered under "the Act", that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder



## Notes to the Standalone Financial Statements

### NOTE 5: RIGHT-OF-USE ASSETS

(₹ in Crore)

Particulars	Premises	
	As at March 31, 2022	As at March 31, 2021*
<b>Gross Carrying Cost</b>		
<b>Opening Balance</b>	11.70	-
Add: Addition Pursuant to Scheme of Arrangement (Refer note 44)	-	11.70
Less: Disposals/deductions during the year	-	-
<b>Gross carrying amount</b>	<b>11.70</b>	<b>11.70</b>
<b>Depreciation</b>		
<b>Opening Balance</b>	2.93	-
Add: Addition Pursuant to Scheme of Arrangement (Refer note 44)	-	2.93
Add: Charges for the year	2.34	-
Less: Disposals/deductions during the year	-	-
<b>Closing Balance</b>	<b>5.27</b>	<b>2.93</b>
<b>Net Carrying Amount</b>	<b>6.43</b>	<b>8.77</b>

\* Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 6: CAPITAL WORK-IN-PROGRESS

(₹ in Crore)

Particulars		As at March 31, 2022	As at March 31, 2021
<b>Opening balance</b>			
Plant and equipment/Civil Work-in-progress (A)		6.99	-
<b>Additions during the year</b>			
Add: Addition Pursuant to Scheme of Arrangement (Refer note 44)		-	6.99
Add: Additions during the year		170.75	
(B)		170.75	6.99
<b>Total CWIP during the year</b>	<b>C=(A+B)</b>	<b>177.74</b>	<b>6.99</b>
Capitalized during the year		98.27	-
Finance Cost Capitalized during the year#		1.57	
<b>Total Capitalized during the year</b>	<b>D</b>	<b>99.84</b>	<b>-</b>
<b>Closing Balance</b>	<b>E=(C-D)</b>	<b>77.90</b>	<b>6.99</b>

# The finance costs on specific borrowings capitalized during the year amounted to ₹ 1.57 Crore using the capitalization rate of 3.98 % 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.

## Notes to the Standalone Financial Statements

### NOTE 6.1: CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

#### CWIP ageing schedule as at March 31, 2022

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More then 3 years	
Projects in progress	77.90	-	-	-	77.90
Projects temporarily suspended#			Nil		

#### CWIP ageing schedule as at March 31, 2021

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More then 3 years	
Projects in progress	6.99	-	-	-	6.99
Projects temporarily suspended#			Nil		

# No Projects have been temporarily suspended.

### NOTE 6.2

There is no project in progress as at March 31, 2021 and March 31, 2022 whose completion is overdue nor the cost of any project has exceeded the amount compared to its original plan.

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 7: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(I) Equity Instruments</b>		
(i) Investment in Wholly Owned Subsidiary Company (Unquoted) (Carried at deemed cost/Cost)		
<b>Dhampur International Pte Ltd.</b>	36.93	36.93
60,10,000 (PY:60,10,000) equity shares of Par value**		
Less :- Provision for Impairment	(30.31)	(26.30)
<b>Total</b>	<b>6.62</b>	<b>10.63</b>

#### NOTE 7.1: DISCLOSURE FOR MEASUREMENT OF INVESTMENTS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Investment carried at deemed cost/Cost	6.62	10.63
Investment carried at fair value through FVTPL	-	-
Investment carried at fair value through OCI	-	-

## Notes to the Standalone Financial Statements

### NOTE 7.2: DISCLOSURE FOR VALUATION METHOD USED

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Aggregate amount of quoted investments and market value	-	-
Aggregate amount of unquoted investments	36.93	36.93
Aggregate amount of provision for impairment in value of Investments	30.31	26.30

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

\*\* The above investments have been acquired under the Scheme of Demerger (Refer Note 44) from the Demerged Company and due to pending completion of legal formalities for transfers, Investment are being held in the name of Demerged Company.

### NOTE 8: FINANCIAL ASSETS - OTHERS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(Unsecured and considered good, unless otherwise stated)</b>		
<b>(i) Non- Current</b>		
<b>Security deposits</b>		
- to related parties#	1.14	1.28
- to others	0.58	0.02
<b>Total</b>	<b>1.72</b>	<b>1.30</b>
<b>(ii) Current</b>		
Interest Receivable	0.08	0.02
Other Recoverable	0.23	0.03
<b>Total</b>	<b>0.31</b>	<b>0.05</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

#Security deposits primarily includes deposits given towards rented premises.

### NOTE 9: OTHER ASSETS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(Unsecured and considered good, unless otherwise stated)</b>		
<b>(i) Non- Current</b>		
Capital Advance	7.95	10.86
Statutory Dues Paid under Protest	0.52	0.47
<b>Total</b>	<b>8.47</b>	<b>11.33</b>
<b>(ii) Current</b>		
Advance to Suppliers	19.77	3.99
Advances to employees	0.05	0.17
Balance with Revenue authorities	3.44	0.33
Prepaid Expenses	3.42	3.55
Government Grants	2.15	44.84
Other Assets	0.89	2.91
<b>Total</b>	<b>29.72</b>	<b>55.79</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

## Notes to the Standalone Financial Statements

### NOTE 10: INVENTORIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
(refer note no.2(vii) for Mode of Valuation)		
Raw materials	43.51	13.06
Work-in-Progress	5.50	5.50
Finished goods	989.77	678.78
Stores & Spare parts	17.81	19.99
Loose Tools	0.05	0.06
<b>Total</b>	<b>1,056.64</b>	<b>717.39</b>

#### Note:

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Inventory pledged/ hypoticated to banks for securing working capital facilities	1,056.64	717.39
Amount of write down of inventories recognized as expenses	-	-

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 11: TRADE RECEIVABLES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Trade receivable Considered good - Secured	-	-
Trade receivable Considered good - Unsecured (Includes Unbilled Revenue ₹10.97 Crore)	108.04	105.18
Trade receivable which have Significant increase in Credit Risk	-	-
Trade receivable - Credit Impaired	-	-
	<b>108.04</b>	<b>105.18</b>
Less: Allowance for expected credit losses	0.06	-
<b>Total</b>	<b>107.98</b>	<b>105.18</b>

# For Related party balances refer note 45

## Notes to the Standalone Financial Statements

### NOTE 11.1: TRADE RECEIVABLES AGEING

#### Trade Receivables Ageing Schedule as at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following Periods from due date of payments						Total
	Not Due	Less than 6 Month	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed considered good	34.71	61.17	1.19	-	-	-	97.07
Undisputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed credit impaired	-	-	-	-	-	-	-
Disputed considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	10.97	-	-	-	-	-	10.97
<b>Sub Total</b>	<b>45.68</b>	<b>61.17</b>	<b>1.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108.04</b>
Less: Allowance for expected credit losses	-	-	-	-	-	-	0.06
<b>Total</b>	<b>45.68</b>	<b>61.17</b>	<b>1.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107.98</b>

#### Note:

- Trade Receivables as at March 31, 2021 represents the amount acquired pursuant to Scheme of Arrangement and hence ageing schedule has not been given
- Refer Note 47(a) and Note 47(b) for information on trade receivable hypothecated as security by the Company.

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 12: CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
(i) Cash in hand	0.50	0.37
(ii) Cheque in Hand	15.58	-
(iii) Balances with banks:		
-On Current Account	2.47	0.31
<b>Total</b>	<b>18.55</b>	<b>0.68</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 13: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Deposits held as security or margin against guarantees	1.31	0.29
Deposits earmarked for Molasses Storage Fund	0.72	0.52
<b>Total</b>	<b>2.03</b>	<b>0.81</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)



# Notes to the Standalone Financial Statements

## NOTE 14: SHARE CAPITAL

(₹ in Crore)

<b>a. Authorised Share Capital</b>	<b>No. of Shares</b>	<b>₹ in Crore</b>
Equity Shares of ₹10/- each		
<b>As at October 6, 2020</b>	100000	0.10
Transfer of Authorised Shared Capital Pursuant to Scheme of Arrangement	91500000	91.50
<b>As at March 31, 2021*</b>	<b>91600000</b>	<b>91.60</b>
Changes During the year	-	-
<b>As at March 31, 2022</b>	<b>91600000</b>	<b>91.60</b>

<b>b. Issued, subscribed &amp; fully paid up/Share Capital Suspense Account:</b>	<b>No. of Shares</b>	<b>₹ in Crore</b>
<b>Equity Shares</b>		
<b>As at October 6, 2020</b>	100000	0.10
Add: Addition Pursuant to Scheme of Arrangement	66387590	66.39
Less: Shares cancelled pursuant to the Scheme of Arrangement	(100,000)	(0.10)
<b>As at March 31, 2021*</b>	<b>66387590</b>	<b>66.39</b>
Changes during the year	-	-
<b>As at March 31, 2022</b>	<b>66387590</b>	<b>66.39</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### c. Terms and rights attached to Equity Shares

The Company has a single class of equity shares having face value of ₹10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of share on which any call or other sums presently payable have not been paid.

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

### d. Shares held by the Holding Company, Details of Shareholding (more than 5% Equity Shares and promoters share holders)

The Scheme of demerger has been effective from May 3, 2022 and as per terms of scheme, one equity share of ₹ 10 each is to be allotted to the existing share holders of Dhampur Sugar Mills Limited (DSML) as on the record date fixed for entitlement, against one share held by them in DSML. The Company has allotted 6,63,87,590 equity shares on May 23, 2022. The disclosure of promoter shareholding and share holder having 5% or more shareholding in the company is being disclosed based on the allotment made on May 23, 2022. Prior to that the entire paid share capital of the company of ₹ 100,000 being divided into 10,000 equity share of ₹10/- each is being held by DSM w.e.f. March 31, 2021. These equity shares will stand cancelled as per terms of the scheme of demerger on the allotment of new equity shares.

### e. Shareholders holding more than 5% of the Equity shares in the company as per allotment made on May 23, 2022

<b>Name of Equity Shareholders</b>	<b>No. of Shares</b>	<b>% holding</b>
<b>Equity shares of ₹ 10 each fully paid-up</b>		
Goel Investments Limited	10655515	16.05%
Shudh Edible Products Private Limited	4299680	6.48%
Sonitron Limited	4940716	7.44%
Gautam Goel	4242339	6.39%
Anil Kumar Goel	6000000	9.04%

## Notes to the Standalone Financial Statements

### f. Shareholding of Promoters as per allotment made on May 23, 2022

Promoter Name	No. of Shares	% of total shares
Vijay Kumar Goel	349116	0.53%
Ashok Kumar Goel	55384	0.08%
Gautam Goel	4242339	6.39%
Gaurav Goel	2016904	3.04%
Deepa Goel	2341936	3.53%
Bindu Vashist Goel	76350	0.12%
Ishira Goel	105525	0.16%
Vinita Goel	25050	0.04%
Shefali Poddar	31760	0.05%
Ritu Sanghi	7500	0.01%
Aparna Jalan	46100	0.07%
Asha Kumari Swaroop	4	0.00%
Goel Investments Limited	10655515	16.05%
Saraswati Properties Limited	3266758	4.92%
Shudh Edible Products Private Limited	4299680	6.48%
Sonitron Limited	4940716	7.44%
Ujjwal Rural Services Limited	125000	0.19%

### g. Aggregate number and class of shares bought back:

The Company has not bought back shares in the last five years immediately preceding the balance sheet date.

h. No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years as at the date of balance sheet. However 6,63,87,590 Equity shares have been allotted on May 23, 2022 in terms of Scheme of Arrangement (Refer Note No. 44) without payment received in cash.

## NOTE 15: OTHER EQUITY

### A. Reserve and Surplus

#### (i) Capital Reserve

Particulars	(₹ in Crore)	
	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	714.56	-
Add: Addition Pursuant to Scheme of Arrangement (refer note 44)	-	714.56
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
<b>Closing Balance</b>	<b>714.56</b>	<b>714.56</b>

## Notes to the Standalone Financial Statements

### (ii) Storage fund/reserve for molasses

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	-	-
Add: Transferred from retained earnings	0.17	-
Add: Molasses fund created during the year	0.18	-
<b>Closing Balance</b>	<b>0.35</b>	-

### (iii) Retained Earnings

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	(0.01)	-
Add: Addition Pursuant to Scheme of Arrangement (refer note 44)	-	-
Add: Net Profit/(Loss) for the period	103.61	(0.01)
Less: Transfer to Molasses Storage Reserve fund	0.17	-
<b>Closing Balance</b>	<b>103.43</b>	<b>(0.01)</b>

## B. Other Comprehensive Income

### (i) Remeasurement of post employment benefit obligation

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	-	-
Add: Addition during the year	0.09	-
Less: Utilised during the year	-	-
<b>Closing Balance</b>	<b>0.09</b>	-

<b>Total Other Equity</b>	(A+B)	<b>818.43</b>	<b>714.55</b>
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\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

## NOTE 15.1 : NATURE AND PURPOSE OF RESERVES

### (i) Capital Reserve

Capital reserve was created on transfer of demerged undertakings to the Company under the Scheme of Demerger.

### (ii) Storage fund/reserve for molasses

The storage fund for molasses has been created to meet the cost of construction and maintenance of molasses storage tank as required under Uttar Pradesh Sheera Niyantaran (Sansodhan) Adesh, 1974.

### (iii) Retained Earnings

Retained earnings represents the undistributed profit / amount of accumulated earnings of the Company

### (iv) Other Comprehensive Income

Other comprehensive income (OCI) represents the balance in equity relating to re-measurement gain/(loss) of defined benefit obligation.

## Notes to the Standalone Financial Statements

### NOTE 16: FINANCIAL LIABILITIES - BORROWINGS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(i) Non-Current</b>		
<b>Secured Term Loans</b>		
Rupee Loan From banks**	109.94	102.79
Less: Ind AS Adjustment	5.11	3.60
<b>Total</b>	<b>104.83</b>	<b>99.19</b>
<b>(ii) Current</b>		
<b>Secured</b>		
<b>Loan Payable on demands</b>		
- Working Capital Loans from Banks (Cash credit)	664.00	270.47
Current maturities of long term borrowings**	58.46	28.70
Less: Ind AS Adjustments	4.50	3.47
<b>Total</b>	<b>717.96</b>	<b>295.70</b>

\* Restated pursuant to the Scheme of Arrangement (Refer note 44)

\*\* Refer note 47 for security and repayment terms

### NOTE 17: LEASE LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(i) Non-Current</b>		
Lease Liabilities	3.96	5.60
<b>Total</b>	<b>3.96</b>	<b>5.60</b>
<b>(ii) Current</b>		
Lease Liabilities	1.90	2.07
<b>Total</b>	<b>1.90</b>	<b>2.07</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 18: TRADE PAYABLES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Due to Micro and Small Enterprises (Refer note 39)	3.40	0.28
Other than Micro and Small Enterprises	157.40	283.08
Unbilled Expenses	7.82	2.59
<b>Total</b>	<b>168.62</b>	<b>285.95</b>

## Notes to the Standalone Financial Statements

### NOTE 18.1: TRADE PAYABLES AGEING SCHEDULE

#### Trade Payables Ageing Schedule as at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following Periods from due date of payments					Total
	Not Due/ Hold	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
MSME	-	3.40	-	-	-	3.40
Other	-	156.57	0.77	0.07	-	157.41
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Other	-	-	-	-	-	-
Unbilled Dues	7.81	-	-	-	-	7.81
<b>Total</b>	<b>7.81</b>	<b>159.97</b>	<b>0.77</b>	<b>0.07</b>	<b>-</b>	<b>168.62</b>

Note: Trade payable as at March 31, 2021 represents the amount acquired pursuant to Scheme of Arrangement and hence ageing schedule has not been given.

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 19: OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Interest Accrued on MSME	0.24	0.24
Employee Benefits Payable	10.11	8.14
Security Deposits	2.09	3.12
Creditors for capital expenditure	12.98	-
Other Payables	8.35	0.24
Retention Money Payable	3.12	0.98
<b>Total</b>	<b>36.89</b>	<b>12.72</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 20: PROVISIONS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(i) Non-Current</b>		
<b>Provision for Employee Benefits</b>		
Gratuity	17.53	17.36
<b>Total</b>	<b>17.53</b>	<b>17.36</b>
<b>(ii) Current</b>		
<b>Provision for Employee Benefits</b>		
Gratuity	2.38	1.15
<b>Total</b>	<b>2.38</b>	<b>1.15</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)



## Notes to the Standalone Financial Statements

### NOTE 21: OTHER LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(i) Non-Current</b>		
Deferred Government Grants	5.76	5.45
<b>Total</b>	<b>5.76</b>	<b>5.45</b>
<b>(ii) Current</b>		
Deferred Government Grants	4.74	3.62
Advance from customers	17.88	1.27
Statutory dues payable	5.23	3.03
<b>Total</b>	<b>27.85</b>	<b>7.92</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 22: CURRENT TAX LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Current Tax Payable	23.29	-
Less : Prepaid Taxes	22.56	-
<b>Total</b>	<b>0.73</b>	<b>-</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 23: DEFERRED TAX LIABILITY

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Deferred Tax Asset :</b>		
On account of difference in the tax base value and carrying amount on account of investment	7.54	6.15
On account of temporary differences on allowability of expenses for tax purposes	6.72	5.39
MAT Credit Entitlement	49.45	63.71
<b>Total (A)</b>	<b>63.71</b>	<b>75.25</b>
<b>Deferred Tax Liability :</b>		
On account of property plant & equipments (other than land)	86.96	94.49
On account of difference in the tax base value and carrying amount of land	3.76	5.34
<b>Total (B)</b>	<b>90.72</b>	<b>99.83</b>
<b>Deferred Tax Liability/ (Asset) - Net (B-A)</b>	<b>27.01</b>	<b>24.58</b>

## Notes to the Standalone Financial Statements

### NOTE 23.1: MOVEMENT IN DEFERRED TAX LIABILITIES/ (ASSETS)

(₹ in Crore)

Particulars	Deferred Tax Assets				Deferred Tax Liabilities		Total
	Employee retirement benefits	MAT credit entitlement	Allowability of expenses	Investments	Property, plant & equipments	Land	
<b>At March 31, 2021*</b>	-	(63.71)	(5.39)	(6.15)	94.49	5.34	24.58
Recognized in profit or loss	(0.07)	14.26	(1.29)	(1.39)	(7.53)	(1.58)	2.40
Recognized in OCI	0.03	-	-	-	-	-	0.03
<b>At March 31, 2022</b>	<b>(0.04)</b>	<b>(49.45)</b>	<b>(6.68)</b>	<b>(7.54)</b>	<b>86.96</b>	<b>3.76</b>	<b>27.01</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 24: REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Revenue from Operations*</b>		
Manufactured Goods	1,518.77	-
Traded Goods	8.09	-
<b>Other Operating Revenue</b>		
Scrap Sales	3.30	-
Government Grant	9.90	-
Others	0.84	-
<b>Total</b>	<b>1,540.90</b>	<b>-</b>

\*Refer Note 43

### NOTE 25: OTHER INCOMES

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Interest Income</b>		
- from banks and others	0.13	-
- from financial assets carried at amortized cost	0.08	-
Income from Rent	2.49	-
Profit sale of Property, Plant & Equipments	1.86	-
Balances/ Provision No longer required written back	0.22	-
Foreign Exchange gain	0.04	-
Miscellaneous Income	2.41	-
<b>Total</b>	<b>7.23</b>	<b>-</b>

## Notes to the Standalone Financial Statements

### NOTE 26: COST OF RAW MATERIAL CONSUMED

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Cost of raw material consumed</b>		
- Sugar cane	1,416.41	-
- Molasses	11.02	-
- Bagasse and other fuel	7.05	-
- Chemicals and others	0.19	-
<b>Total</b>	<b>1,434.67</b>	<b>-</b>

### NOTE 27: PURCHASE OF STOCK-IN-TRADE

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Cane Development Product	7.91	-
<b>Total</b>	<b>7.91</b>	<b>-</b>

### NOTE 28: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Closing Stock: :</b>		
Finished stock	989.77	-
Work-in-Progress	5.50	-
<b>Total (A)</b>	<b>995.27</b>	<b>-</b>
<b>Less: Inventories acquired pursuant to Scheme :</b>		
Finished stock	678.78	-
Work-in-Progress	5.50	-
<b>Total (B)</b>	<b>684.28</b>	<b>-</b>
<b>(Increase)/ Decrease in Inventories (B-A)</b>	<b>(310.99)</b>	<b>-</b>

### NOTE 29: EMPLOYEES BENEFITS EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Salaries and wages	64.04	-
Contribution to Provident & other funds	5.51	-
Gratuity	1.28	-
Voluntary retirement compensation	0.28	-
Workmen & staff welfare expenses	0.47	-
<b>Total</b>	<b>71.58</b>	<b>-</b>

## Notes to the Standalone Financial Statements

### NOTE 30: DEPRECIATION AND AMORTIZATION

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Depreciation of Property, Plant and Equipment	28.45	-
Depreciation of Right-of-Use Assets	2.34	-
<b>Total</b>	<b>30.79</b>	<b>-</b>

### NOTE 31: FINANCE COSTS

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Interest expenses on financial liabilities measured at amortize cost	29.57	-
Interest on Lease Liability	0.59	-
Other borrowing cost	0.24	-
Interest on Gratuity Liability (Net)	1.26	-
	<b>31.67</b>	<b>-</b>
Less : Interest capitalized during the year	1.57	-
<b>Total</b>	<b>30.10</b>	<b>-</b>

### NOTE 32: OTHER EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Consumption of stores, spares & other manufacturing expenses	33.24	-
Cane development expenses	3.18	-
Consumption of Packing material	21.00	-
Power and fuel	3.09	-
Repair & Maintenance :		
- Plant & machinery	35.93	-
- Building	1.54	-
- Others	2.65	-
Short Term lease/Low value item lease expenses	1.32	-
Rates and taxes	2.21	-
Insurance	3.10	-
Transfer to storage fund for molasses	0.18	-
Consultancy/Retainship/Professional Fees	3.35	-
Selling Expenses :		
- Commission to selling agents	2.87	-
- Other selling expenses	17.08	-
Demerger Expenses	3.00	-
Travelling & Conveyance	4.22	-
Security Services	3.08	-
Miscellaneous expenses	8.25	0.01
Charity and donations	0.09	-
Staff Welfare	0.28	-
Balance written-off	0.87	-
Allowance for Expected credit loss	0.06	-
Payment to Statutory Auditors (refer note 32.1)	0.17	#
<b>Total</b>	<b>150.76</b>	<b>0.01</b>

## Notes to the Standalone Financial Statements

### NOTE 32.1: PAYMENT TO STATUTORY AUDITORS

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
- Audit fees	0.12	#
- Tax audit fees	0.05	-
<b>Total</b>	<b>0.17</b>	<b>#</b>

#In previous year amount for Audit Fees is ₹ 11,800 /-

### NOTE 33: EXCEPTIONAL ITEMS

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Impairment of Investment	4.01	-
<b>Total</b>	<b>4.01</b>	<b>-</b>

### NOTE 34: TAX EXPENSE

#### (a) Income Tax Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Current Tax	23.29	-
Deferred Tax	2.40	-
<b>Total</b>	<b>25.69</b>	<b>-</b>

#### (b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Profit for the year (before income tax expense)	129.30	(0.01)
Applicable tax rate	29.12%	-
<b>Computed tax expenses</b>	<b>37.65</b>	<b>-</b>
<b>Adjustments :</b>		
Expenses not allowed for tax purposes	0.70	-
Deferred tax on non-depreciable Assets and Investments (Net)	(2.97)	-
Adjustment on account of reworking of opening DTA/DTL based on Assets & Liabilities transferred and DTL transferred pursuant to Scheme	(9.69)	-
<b>Current Income Tax</b>	<b>25.69</b>	<b>-</b>
<b>Tax Expenses recognized in Statement of Profit and Loss</b>	<b>25.69</b>	<b>-</b>
<b>Effective Tax Rate</b>	<b>19.87%</b>	<b>0.00%</b>



## Notes to the Standalone Financial Statements

### NOTE 35: OTHER COMPREHENSIVE INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
(i) Items that will not be reclassified to profit or loss		
Actuarial gain/loss on employees benefits	0.12	-
(ii) Tax on above	(0.03)	-
<b>Total</b>	<b>0.09</b>	<b>-</b>

### NOTE 36: EARNINGS PER SHARE (EPS)

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Basic Earnings per share</b>		
a) Profit attributable to equity shareholders (₹ in Crore)	103.61	(0.01)
b) Weighted average number of equity shares outstanding (Absolute no.)	66387590	4,301
c) Nominal value per share (in ₹)	10.00	10.00
d) Earnings per share (in ₹)	15.61	(23.25)

### NOTE 37: CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to spend Corporate Social Responsibility (CSR) expenditure under the provision of Section 135 of the Companies Act, 2013 during the year.

### NOTE 38: CONTINGENT LIABILITIES AND COMMITMENTS

#### I. Contingent Liabilities (not provided for in respect of)

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>i) Demands being disputed by the Company : **</b>		
a) Excise duty and Service Tax demands	1.58	1.58
b) Trade Tax and Entry Tax demands	0.91	0.91
c) Stamp Duty demands	18.01	18.01
d) Other demands	0.89	0.89
e) Estimated amount of interest on above	16.54	15.33
<b>ii) Claims against the company not acknowledged as debts :</b>		
a) other liabilities	-	-
b) In respect of some pending cases of employees and others#	Amount not ascertainable	Amount not ascertainable

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

\*\* Transferred to the Company pursuant to Scheme of Arrangement (Refer Note 44)

# 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.

## Notes to the Standalone Financial Statements

### II Capital Commitments

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Estimated amount of contracts remaining to be executed on capital account and not provided for	34.40	66.80

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### III. Legal Cases

- 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 for adjudication. Based on the legal review of the facts of the case and considering past practice, no liability is likely to crystallise on the Company in this matter.
- 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 for adjudication. Based on the legal review of the facts of the case and considering past practice, no liability is likely to crystallise on the Company in this matter.

### NOTE 39: DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (27 OF 2006) ("MSMED ACT, 2006"):

(₹ in Crore)

Particulars	As at March 31, 2022
i. the principal amount remaining unpaid to any supplier as at the end of accounting year( Trade payable and payable to creditors for capital expenditure);	3.40
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	0.00
iii. the amount of interest paid by the buyer in terms of Section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during accounting year;	-
iv. the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	0.10
v. the amount of interest accrued during the year and remaining unpaid at the end of the accounting year and,	0.10
vi. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-

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.

## Notes to the Standalone Financial Statements

### NOTE 40: REVENUE

- i) The disclosures pertaining to disaggregation of revenue and performance obligation in terms of Ind AS 115 - Revenue from contracts with customers are as follows:

**(a) Sugar**

The Sugar segment of the Company principally generates revenue from manufacturing and sale of sugar and its by-products. Domestic sales of sugar is made on ex-factory terms/agreed terms to wholesale /institutional buyers/ merchant exporters within the country. Domestic sugar sales is majorly done on advance payment terms.

Export sales of sugar to merchant exporters are done on ex-factory /delivered basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyers' specific location (as per agreed terms). The sale price and payment terms is fixed as per contracted terms.

Bagasse and pressmud are sold generally on advance payment terms to customers on ex-factory basis in terms of the agreement and revenue is recognised when the goods have been shipped to/delivered to the buyer.

**(b) Renewable Energy**

The Renewable Energy segment of the Company principally generates revenue from sale of power to distribution companies.

Power is supplied to distribution companies from the Company's facilities in accordance with the sale price, payment terms and other conditions as per the Power Purchase Agreements ("PPA").

**(c) Bio Fuels & Spirits**

The Bio Fuels & Spirits segment of the Company principally generates revenue from sale of industrial alcohol which mainly constitutes ethanol sold under contracts with Public and Private Oil Marketing Companies ("OMCs") and other products to institutional buyers.

For sale of ethanol under contracts with OMCs, sale price is pre-determined based on Expression of Interest ("EOI")/ Tender floated from OMCs. The prices are on delivered cost basis at OMC's locations inclusive of all duties/levies/ taxes/charges etc. Payment terms is within 45 days after delivery of material and submission of original invoices.

Other products like Rectified Spirit, ENA, SDS etc. are sold on bulk basis to institutional buyers on ex-factory basis as per agreed terms. Revenue is recognised when goods have been shipped to the buyers' specific location as per agreed terms. The payment terms are fixed as per Company's credit policy which is up-to 45 days.

- (ii) Disaggregated revenue information have been given along with segment information.

## Notes to the Standalone Financial Statements

### NOTE 41: LEASES

Following are the changes in the carrying value of other right of use assets for the year ended March 31, 2022:

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

#### A. Right to Use of Assets

(₹ in Crore)

Particulars	Premises	
	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	8.77	-
Addition Pursuant to Scheme of Arrangement (refer note 44)	-	8.77
Additions during the year	-	-
Deletions during the year	-	-
Depreciation during the year	2.34	-
<b>Closing Balance</b>	<b>6.43</b>	<b>8.77</b>

#### B. The following is the movement in long term lease liabilities during the year

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Balance at the beginning</b>	7.67	-
Addition Pursuant to Scheme of Arrangement (Refer note 44)	-	7.67
Finance cost accrued during the year	0.59	-
Payment of lease liabilities	(2.40)	-
<b>Balance at the end</b>	<b>5.86</b>	<b>7.67</b>

#### C. Following is the break-up of current and non-current lease liabilities as at March 31, 2022

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Lease Liabilities- Non Current	3.96	5.60
Lease Liabilities- Current	1.90	2.07
<b>Total</b>	<b>5.86</b>	<b>7.67</b>

#### D. Contractual maturities of lease liabilities on an undiscounted basis:

The weighted average incremental borrowing rate applied is 8.60%

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Less than one year	2.40	2.40
One to five years	4.20	6.60
More than five years	-	-
<b>Total</b>	<b>6.60</b>	<b>9.00</b>

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

Rental expenses recorded for short term lease are ₹1.32 Crores for the year ended March 31, 2022

## Notes to the Standalone Financial Statements

### NOTE 42: GOVERNMENT GRANT

The Company is eligible to receive various grants/ financial assistance as per the schemes announced by Central and UP State Government for Sugar Industry. The Company has recognized these Government grants in the following manners:

(₹ in Crore)		
Particulars	Treatment in Accounts	For the year ended March 31, 2022
<b>1. Revenue related Government grants:</b>		
i) MAEQ Subsidy 2020-21 from Central Government (Refer note a)	Shown as separate line items "Government grant" under other operating income	9.85
ii) Interest subvention claim under Distillery Expansion Loan (Refer note b)	Deducted from finance cost	0.37
iii) Interest subvention claim under Distillery Expansion Loan (Refer note b)	Capitalised in Capital Work In Progress	1.57
<b>2. Deferred Government grants:</b>		
i) Deferred income relating to term loans on concessional rate from Sugar Development Fund	Deducted from finance cost	0.22
ii) Deferred income relating to term loans on concessional rate (Refer note d)	Deducted from finance cost	3.40

- a) The Central Government vide its notification 1(6)/2020-S.P.-I dated 29th December 2020, announced Scheme for Assistance to Sugar mills for the sugar season 2020-21 (Scheme) for expenses on marketing cost including handling, upgrading and other processing costs and cost of international and internal transport and freight charges on export of sugars under Maximum Admissible Export Quantity (MAEQ) Scheme. Every sugar mill which fulfil the conditions as stipulated in the Scheme will be eligible for assistance @ ₹6000 per MT on export of sugar limited to MAEQ. Till March 31, 2022, the Company has complied with all the conditions as stated in the scheme and submitted the claim and total Subsidy accrued under the scheme has been received by the company.
- b) 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 existing 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 fulfil 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.

Till March 31, 2022, the Company has complied with all the conditions as stated in the scheme and submitted the claim for interest subvention. The interest subvention accrued under the Scheme till 31st March 2022 is ₹ 3.09 Crore and out of which ₹1.04 Crore has been received till March, 2022.

- c) 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.



## Notes to the Standalone Financial Statements

### NOTE 43: SEGMENT REPORTING

#### I) 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.

#### II) Operating Segments

The Company is organized into three main business segments, namely:

- Sugar which consists of manufacture and sale of Sugar and its byproducts and,
- Bio Fuels & Spirits which consists of manufacture and sale of RS, SDS, ENA, Ethanol, IMFL, sanitizer etc.
- Renewable Energy which consists of co-generation and sale of power

No operating segments have been aggregated in arriving at the aforesaid reportable segments of the Company.

#### III) 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.

#### IV) 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.

## Notes to the Standalone Financial Statements

### A. Summary of Segmental Information For the Year Ended March 31, 2022

(₹ in Crore)

Particulars	Sugar	Bio Fuel & Spirits	Renewable Energy	Adjustments / Elimination	Total
<b>i. Segment Revenue</b>					
a) External Sales	1,223.72	258.00	45.14		1,526.86
b) Inter Segment Sales	257.61	1.35	153.44	(412.40)	-
c) Other Operating Revenue	13.62	-	0.42		14.04
<b>Revenue from operation (a+b+c)</b>	<b>1,494.95</b>	<b>259.35</b>	<b>199.00</b>	<b>(412.40)</b>	<b>1,540.90</b>

(₹ in Crore)

Particulars	Sugar	Bio Fuel & Spirits	Renewable Energy	Unallocable	Total
<b>ii. Segment Results</b>					
Profit before exceptional items, Tax and Interest from each segment	50.42	63.04	60.10	-	173.56
Less/ Add :Other Unallocable Expense/ Income net off Unallocable Income/ Expenses	-	-	-	10.15	10.15
Less : Finance costs				-	28.84
<b>Net Profit before Exceptional Items and Tax</b>	<b>50.42</b>	<b>63.04</b>	<b>60.10</b>	<b>10.15</b>	<b>133.31</b>
Less: Exceptional Item				-	4.01
Less: Tax expense (Net)				-	25.69
<b>Net Profit after Tax</b>	<b>50.42</b>	<b>63.04</b>	<b>60.10</b>	<b>10.15</b>	<b>103.61</b>
<b>iii. Other Information</b>					
a) Segment Assets	1,425.24	227.60	311.06	36.34	2,000.24
<b>Total Assets</b>	<b>1,425.24</b>	<b>227.60</b>	<b>311.06</b>	<b>36.34</b>	<b>2,000.24</b>
b) Segment Liabilities	205.63	31.65	21.66	856.48	1,115.42
<b>Total Liabilities</b>	<b>205.63</b>	<b>31.65</b>	<b>21.66</b>	<b>856.48</b>	<b>1,115.42</b>
c) Capital Expenditure	44.52	72.81	61.47	-	178.80
d) Depreciation	17.58	5.42	7.79	-	30.79
e) Non Cash Expenditure other than Depreciation	0.81	0.01	0.17	4.01	5.00

### B. Geographical information : Segment Revenue & Non Current Assets by location

(₹ in Crore)

Particulars	Period	India	Outside India	Total
External Revenue	2021-22	1,490.58	36.28	1,526.86
Non Current Assets (other than financial assets)*	31-Mar-22	776.67	-	776.67

\*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 31,2022 - NIL

### D. In the following table, revenue is disaggregated by geographical market, major products/service lines and timing of revenue recognition which also includes a reconciliation of the disaggregated revenue with the Company's three strategic divisions, which are its reportable segments.

## Notes to the Standalone Financial Statements

Particulars	Sugar	Renewable Energy	Bio Fuel & Spirits	Total
<b>Geographical markets</b>				
Within India	1,187.17	45.15	258.26	1,490.58
Outside India	36.28	-	-	36.28
<b>Total</b>	<b>1,223.45</b>	<b>45.15</b>	<b>258.26</b>	<b>1,526.86</b>
<b>Major Product</b>				
Sugar	1,165.72	-	-	1,165.72
Industrial Alcohol	-	-	258.26	258.26
Power		45.15		45.15
Others	57.73			57.73
<b>Total</b>	<b>1,223.45</b>	<b>45.15</b>	<b>258.26</b>	<b>1,526.86</b>
<b>Timing of Revenue Recognition</b>				
Products transferred at a point in time	1,223.45	45.15	258.26	1,526.86
Products transferred over time	-	-	-	-
<b>Total</b>	<b>1,223.45</b>	<b>45.15</b>	<b>258.26</b>	<b>1,526.86</b>

### NOTE 44: ACCOUNTING, DISCLOSURES AND PARTICULARS OF SCHEME OF ARRANGEMENT

#### 44.1 ARRANGEMENT OF DHAMPUR SUGAR MILLS LIMITED (DSML), DHAMPUR BIO ORGANICS LIMITED (DBOL) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

##### A Description of Scheme of Arrangement

Subsequent to the year end, Allahabad Bench of the NCLT, through its order dated April 27, 2022 (the "Order"), has approved the Scheme of Arrangement ("the Scheme") between Dhampur Sugar Mills Limited ("Demerged Company") and Dhampur Bio Organics Limited ("Resulting Company"/"The Company") and their respective shareholders and creditors. The scheme has been approved by Board of Directors of both the Companies on June 7, 2021 for Demerger of manufacturing units of Sugar, Bio Fuels and co-generation of the Demerged company situated at Asmoli, District Sambhal, Mansurpur, District Muzaffarnagar and Meeraganj, District Bareilly (Collectively referred to as "Demerged Undertakings") from Demerged Company into Resulting Company with effect from Appointed Date i.e. April 01, 2021.

The Company has filed certified true copy of the Order with the Ministry of Corporate Affairs (the "MCA") on May 3, 2022 and thereby the scheme becomes effective.

The Company has given effect to the Scheme for the year ended March 31, 2022 considering it to be an adjusting event and has accounted the same as per the pooling of interest method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met. The Company came under common control on March 31, 2021 and hence the comparative numbers have to be restated for the period of March 31, 2021. However it is not practically possible to arrive at Financial Results of Demerged Undertakings for the period one day i.e. March 31 2021, therefore, in order to present the actual scale of operations of the Demerged Undertakings for the financial year ended March 31, 2021, the management has presented the Financial Information of the Demerged Undertakings for the period of Twelve months ended March 31, 2021 as additional disclosure and not restated the statement of profit and loss account for the year ended March 31, 2021. The said Financial Information for twelve months periods of the Financial Year 2020-21 have been extracted from the disclosure in the financial Information of the Demerged Company, for the year ended March 31, 2021, which has not been separately subject to audit or review and has been presented as 'Unaudited' Supplementary Information herein after.

As per the share swap ratio approved in the Order, the Company is in the process of issuing equity shares of ₹10 each in the ratio of 1:1 to the shareholders of Demerged Company.

## Notes to the Standalone Financial Statements

Further, as per the Order, the existing Issued Share Capital of ₹ 100,000 consisting of 10,000 shares of ₹ 10 each held by Demerged Company shall stand cancelled on allotment of Equity shares under share as swap ratio.

As per the order, Authorised Share capital representing 9,15,00,000 equity shares of ₹10 each of the Demerged Company will be transferred to the Resulting Company. Accordingly, upon the scheme becoming effective, the authorised share capital of the Resulting Company shall stand increased to ₹91,60,00,000 divided into 9,16,00,000 equity shares having face value of ₹10 each.

The assets and liabilities pertaining to the Demerged Undertakings, transferred to and vested in the Resulting Company pursuant to the Composite Scheme are recorded at their respective carrying values as appearing in the books of Demerged Company.

The Share capital account has been credited with the aggregate face value of the shares to be issued to the Shareholders pursuant to the Scheme and the difference has been accounted in the appropriate reserves within "Other Equity".

### B The Impact of the Demerger on these financial statements is as under:

(₹ in Crore)			
Particulars	Net Assets/ (Liability) acquired (reserves)	Value of Equity shares Issued	Other Equity
Demerger of Demerged Undertakings from Demerged Company to the Resulting Company	780.94	66.39	714.55

### C Balance Sheet

The restated Financial Information as at March 31, 2021 are as under:

(₹ in Crore)			
Particulars	As per reported Financials as at March 31, 2021	As per Restated Financials as at March 31, 2021	
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	-	619.71	
Right-of-Use Assets	-	8.77	
Capital Work-in-progress	-	6.99	
Intangible Assets	-	-	
<b>Financial Assets</b>			
(i) Investments	-	10.63	
(ii) Others	-	1.30	
Other Non Current Assets	-	11.33	
<b>Total Non-Current Assets</b>	<b>(a)</b>	<b>-</b>	<b>658.73</b>
<b>Current Assets</b>			
Inventories	-	717.39	
<b>Financial Assets</b>			
(i) Trade Receivables	-	105.18	
(ii) Cash and Cash Equivalents	0.0034	0.68	
(iii) Bank balances other than (ii) above	-	0.81	
(iv) Others	-	0.05	
Other Current Assets	-	55.79	
<b>Total Current Assets</b>	<b>(b)</b>	<b>0.0034</b>	<b>879.90</b>
<b>Total Assets</b>	<b>(a+b)</b>	<b>0.0034</b>	<b>1,538.63</b>

## Notes to the Standalone Financial Statements

(₹ in Crore)		
Particulars	As per reported Financials as at March 31, 2021	As per Restated Financials as at March 31, 2021
<b>Equity And Liabilities</b>		
<b>Equity</b>		
Equity Share Capital	0.0100	66.39
Other Equity	(0.0078)	714.55
<b>Total Equity</b> (c)	<b>0.0022</b>	<b>780.94</b>
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
(i) Borrowings	-	99.19
(ia) Lease Liabilities	-	5.60
Provisions	-	17.36
Deferred tax liabilities (net)	-	24.58
Other Non-Current Liabilities	-	5.45
<b>Total Non-Current Liabilities</b> (d)	<b>-</b>	<b>152.18</b>
<b>Current Liabilities</b>		
Financial Liabilities		
(i) Borrowings	-	295.70
(a) Lease Liabilities	-	2.07
(ii) Trade Payables	-	-
(a) Due to Micro and Small Enterprises	-	0.28
(b) Other than Micro and Small Enterprises	0.0012	285.67
(iii) Other Financial Liabilities		12.72
Provisions		1.15
Other Current Liabilities		7.92
Current Tax Liabilities (Net)		-
<b>Total Current Liabilities</b> (e)	<b>0.0012</b>	<b>605.51</b>
<b>Total Equity And Liabilities</b> (c+d+e)	<b>0.0034</b>	<b>1,538.63</b>



## Notes to the Standalone Financial Statements

### D Statement of Profit and Loss

Followings are the additional disclosure of Financial Informations of the Demerged Undertakings for the year ended March 31, 2021 as stated herein above.

Particulars	For the year ended March 31, 2021
<b>Income</b>	
I. Revenue from Operations	2,070.18
II. Other Income	4.07
<b>III. Total Income (I+II)</b>	<b>2,074.25</b>
<b>IV. Expenses</b>	
(a) Cost of materials consumed	1,441.10
(b) Excise duty on sale of goods	-
(b) Purchase of Stock-in-Trade	7.60
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	243.58
(d) Employees benefits expenses	63.56
(e) Depreciation and Amortisation	25.96
(f) Finance costs	40.64
(g) Other Expenses	129.99
<b>Total Expenses</b>	<b>1,952.43</b>
<b>V. Profit Before Exceptional Items and Tax (III-IV)</b>	<b>121.82</b>
VI. Exceptional Items	15.50
<b>VII. Profit Before Tax (V-VI)</b>	<b>106.32</b>
<b>VIII. Tax Expense</b>	
(a) Current Tax	19.66
(b) Deferred Tax	11.25
<b>IX. Profit after tax for the year (VII-VIII)</b>	<b>75.41</b>
<b>X. Other Comprehensive Income</b>	
A (i) Items that will not be reclassified to profit or loss	-
- Remeasurement benefits (losses) on defined benefit obligation	-
- Gain (loss) on fair value of equity investments	0.95
(ii) Tax on above	(0.33)
B (i) Items that will be reclassified to profit or loss	-
(ii) Tax on above	-
<b>Other Comprehensive Income to be transferred to Other Equity for the year</b>	<b>0.62</b>
<b>XI. Total Comprehensive Income for the year (IX+X)</b>	<b>76.03</b>

## Notes to the Standalone Financial Statements

### NOTE 45: RELATED PARTY DISCLOSURES

Information on related party transactions pursuant to Ind AS 24 -

#### A. List of Related Parties with whom transactions have taken place and relationships as on March 31, 2022

i. Holding company	Dhampur Sugar Mills Ltd (Till the date of cancellation of existing shareholding as per scheme of Arrangement)
ii. Subsidiary ( Wholly Owned Subsidiary)	Dhampur International Pte Limited
iii. Directors and Key Management Personnel (KMP)	1 Mr. Vijay Kumar Goel, Director
	2 Mr. Ashok Kumar Goel, Director
	3 Mr. Gaurav Goel, Director
	4 Mr. Gautam Goel, Director
	5 Mr. Mukul Sharma, Director
	6 Mr. Nalin Kumar Gupta, Director
iv. Relative's of Directors and Key Management Personnel (KMP) (with whom transactions entered into)	1. Mr. Sanjay Gupta, Brother of Director
v. Enterprises which have significant influence and also owned or significantly influenced by directors/Key Management Personnel or their relatives	1. Shudh Edible Products Private Limited
	2 Academy of Modern Learning Turst
	3 J.P & Sons

#### B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on March 31, 2022

		(₹ in Crore)
S. No.	Particulars	For the year ended March 31, 2022
<b>1</b>	<b>Loan Taken</b>	<b>0.05</b>
	Dhampur Sugar Mills Limited	0.05
<b>2</b>	<b>Rent Received</b>	<b>2.40</b>
	Dhampur Sugar Mills Limited	2.40
<b>3</b>	<b>Rent Paid</b>	<b>2.40</b>
	Shudh Edible Products Private Limited	2.40
<b>4</b>	<b>Provision for Impaired of Investment</b>	<b>4.01</b>
	Dhampur International Pte Limited	4.01
<b>5</b>	<b>Remuneration to Directors, KMP and their Relatives</b>	<b>0.80</b>
	Mr. Nalin Kumar Gupta	0.40
	Mr. Mukul Sharma	0.35
	Relative of KMP	0.04
<b>6</b>	<b>Expenses paid During the year</b>	<b>8.54</b>
	J.P & Sons	8.50
	Academy of Modern Learning Trust	0.04

## Notes to the Standalone Financial Statements

(₹ in Crore)

S. No.	Particulars	For the year ended March 31, 2022
	<b>Amount due to/ from Related Parties:</b>	
<b>1</b>	<b>Investments</b>	<b>36.93</b>
	Dhampur International Pte Limited	36.93
<b>2</b>	<b>Provision for Impaired of Investment</b>	<b>30.31</b>
	Dhampur International Pte Limited	30.31
<b>3</b>	<b>Payables</b>	<b>3.98</b>
	Shudh Edible Products Private Limited	0.06
	J.P & Sons	3.33
	Vijay Kumar Goel	0.21
	Gautam Goel	0.35
	Sandeep Sharma	0.02
<b>4</b>	<b>Security Deposits Receivables</b>	<b>1.20</b>
	Shudh Edible Products Private Limited	1.20
<b>5</b>	<b>Receivable</b>	<b>0.46</b>
	Dhampur International Pte Limited	0.46

The details of remuneration paid to Managing Director, Chief Operating Officer and Whole Time Director and Key Management Personnel are as under :-

### Details of Remuneration Paid/Payable to KMP

Particulars	Mr. Nalin Kumar Gupta	Mr. Mukul Sharma
<b>Year ended March 31, 2022</b>		
<b>Short-term employee benefits</b>		
Salary	0.35	0.29
<b>Post-employment benefits</b>		
Contribution to Provident Fund, Gratuity and other Funds*	0.05	0.07

\* 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.

### D. Pursuant to Scheme of Arrangement

As per the Scheme of Arrangement , M/S Dhampur Sugar Mills Ltd.(Erstwhile holding company/Demerged Company) has continued to manage the operations of demerged units, hence the inter se transactions between the demerged and resultant companies pertaining to the operation of units, including interse transfer of goods, assets,employees, funds, reimbursement of expenses etc have not been reported here on above. A sum of ₹14.87 Crore is recoverable as at March 31st, 2022 from Dhampur Sugar Mills Ltd. on account of money held in trust by them for managing the operations of demerged undertaking which is shown under Trade Receivables.

## Notes to the Standalone Financial Statements

### NOTE 46: EMPLOYEES BENEFITS

The required disclosures of employees benefits as per Indian Accounting Standard (Ind AS) -19 are given hereunder :-

#### (i) Defined contribution plan :

The Company's defined contribution plans are Employees' Pension Scheme, Employees' Provident Fund (under the provisions of Employees' Provident Funds and Miscellaneous Provisions Act, 1952) and Employees State Insurance. The Company has no further obligations beyond making the contributions.

(₹ in Crore)	
Particulars	For the year ended March 31, 2022
Employer's Contribution to Provident Fund	3.18
Employer's Contribution to Pension Fund	1.99

#### (ii) Defined benefit plan :

In respect of 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.

The following tables summaries the components of net benefit expense recognized 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)	
Particulars	For the year ended March 31, 2022
Current service cost	1.09
Interest Cost	1.26
Past Service Cost	-
Net interest on the net defined benefit liability	-
Expense recognized in the statement of profit and loss	2.35

## Notes to the Standalone Financial Statements

### II. Other comprehensive income

(₹ in Crore)

Particulars	For the year ended March 31, 2022
Actuarial gain / (loss) arising from:	0.12
. Change in financial assumptions	-
. Change in experience adjustments	-
Components of defined benefit costs recognized in other comprehensive income	0.12

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)

Particulars	As at March 31, 2022
Present value of defined benefit obligation at the beginning of the year	18.30
Interest expense/income	1.26
Current service cost	1.09
Past service cost	-
Benefits paid	(0.63)
Actuarial (gain)/ loss arising from:	(0.12)
. Change in financial assumptions	-
. Change in experience adjustment	-
. Change in Demographic assumptions	-
Present value of defined obligation at the end of the year	19.91

### IV. Net liability recognized in the Balance Sheet as at the year end:

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of Benefit Obligation at the end of the year	19.91	18.51
Fair Value of Plan Assets at the end of the year	-	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>19.91</b>	<b>18.51</b>
Current liability	2.38	1.15
Non- current liability	17.53	17.36

### V. Actuarial assumptions:

(₹ in Crore)

Particulars	For the year ended March 31, 2022
Discount rate ( per annum )%	7.20%
Expected rate of salary increase %	5.00%
Retirement / superannuation Age (year)	60
Mortality rates	100% of IALM (2012 - 14)

## Notes to the Standalone Financial Statements

### VI. Maturity profile of defined benefit obligation:

(₹ in Crore)

Particulars	As at March 31, 2022
Expected cash flows (valued on undiscounted basis):	
With in 0 to 1 Year	2.07
With in 1 to 2 Year	1.30
With in 2 to 3 Year	1.29
With in 3 to 4 Year	1.30
With in 4 to 5 Year	1.58
With in 5 to 6 Year	1.41
6 Year onwards	10.65
<b>Total expected payments</b>	<b>19.60</b>

The average duration of the defined benefit plan obligation at the end of the balance sheet date(in years)

### VII. Sensitivity analysis on present value of defined benefit obligations:

(₹ in Crore)

Particulars	For the year ended March 31, 2022
<b>a) Discount rates</b>	
0.50% increases	(0.64)
0.50% decreases	0.68
<b>b) Salary growth rate :</b>	
0.50% increases	0.69
0.50% decreases	(0.66)

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.

The history of experience adjustments for non-funded retirement plans are as follows :

Particulars	Gratuity (Non funded) 2021-22
Present value of obligation as at the end of the year	19.91
Fair value of plan assets as at the end of the year	-
Net asset/(liability) recognized in the balance sheet	19.91
Net actuarial (gain)/loss recognized	0.12



## Notes to the Standalone Financial Statements

### NOTE 47: BORROWINGS- NATURE OF SECURITY AND TERMS OF REPAYMENT

#### a) Nature of Security in respect of Long Term Borrowings:

All the term loans outstanding at the end of the year, have been sanctioned and are in the name of Dhampur Sugar Mills Limited, the Demerged Company.

- (i) Rupee term loan from PNB are secured by first pari passu charge on block of fixed assets of the Company and Demerged Company. Further secured by personal guarantee of promoter directors of the Demerged Company.
- (ii) 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 and Demerged Company. Further secured by personal guarantee of promoter directors of the Demerged Company.
- (iii) Rupee term loan from PNB are secured by first parri passu charge on the entire block of fixed assets of the Company and Demerged Company. Further secured by personal guarantee of promoter directors of the Demerged Company.
- (iv) Rupee Term loan from PNB are secured by first pari passu charge on entire block of assets of Asmoli Unit of the Company and Demerged Company. Further secured by personal guarantee of promoter directors of the Demerged Company.
- (v) Rupee term loan from Sugar Development Fund (SDF) are secured by first parri passu charge over the movable and immovable properties of its unit i.e. DBOL Unit Asmoli, Division - Sugar, situated at Asmoli.

#### b) Terms of repayment :

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2022	Repayment of Term Loans					Details of security offered
			2022-23	2023-24	2024-25	2025-26	2026-27	
<b>1) Punjab National Bank</b>								
Term loan from bank	7.50%*	1.65	1.65	-	-	-	-	Refer note no. 47 (a) (i)
Term loan from bank (Soft Loan)	5.00%	77.99	34.57	34.57	8.85	-	-	Refer note no. 47 (a) (ii)
Term loan from bank (Expansion for Distillery Capacity - Asmoli) *	7.50%*	76.33	16.85	16.85	16.85	16.85	8.43	Refer note no. 47 (a) (iii)
Term loan from bank (Expansion for Distillery Capacity - Asmoli) *	7.50%*	8.25	3.00	3.00	2.25	-	-	Refer note no. 47 (a) (iv)
<b>Sub-Total</b>		<b>164.22</b>	<b>56.07</b>	<b>54.42</b>	<b>27.95</b>	<b>16.85</b>	<b>8.43</b>	
<b>2) Government of India, Sugar Development Fund</b>	4.50%	4.18	2.39	1.79	0.00	0.00	0.00	Refer note no. 47 (a) (v)
<b>Grand-Total</b>		<b>168.40</b>	<b>58.46</b>	<b>56.21</b>	<b>27.95</b>	<b>16.85</b>	<b>8.43</b>	

## Notes to the Standalone Financial Statements

### 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 and demerged company.
- by personal guarantee of the two promoter directors of the Company/demerged 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 first 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 third parri passu charge on the block of fixed assets/immovable properties of the Company and demerged company.
- by personal guarantee of promoter directors of the Company/demerged 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/demerged company

Working Capital loans from Prathma U P Gramin Bank are secured (Prathma Bank merged with Sarva U P Gramin Bank)\*:

- by way of first pari passu charge of sugar stock of white crystal/raw sugar/ BISS & other processed sugar in bags and sugar in process.
- by way of third parri passu charge on the block of fixed assets/immovable properties of the Company and demerged company.
- by personal guarantee of promoter directors of the Company/demerged 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/demerged company

## NOTE 48: FINANCIAL INSTRUMENTS - ACCOUNTING, CLASSIFICATION AND FAIR VALUE MEASUREMENT

### I. Financial instruments by category

The criteria for recognition of financial instruments is explained in accounting policies for Company:

### II 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, 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.

## Notes to the Standalone Financial Statements

2. Borrowings (non-current) consists of loans from banks and government authorities is considered based on the discounted cash flow.

(₹ in Crore)

Particulars	Level	Carrying Value as of		Fair Value as of	
		As at March 31, 2022	As at March 31, 2021*	As at March 31, 2022	As at March 31, 2021*
<b>Financial Assets</b>					
<b>Amortized cost</b>					
Investments	Level 3	6.62	10.63	6.62	10.63
Others Financial Assets	Level 3	2.03	1.35	2.03	1.35
Trade receivables	Level 3	107.98	105.18	107.98	105.18
Cash and Bank Balances	Level 3	18.55	0.68	18.55	0.68
Other Bank Balances	Level 3	2.03	0.81	2.03	0.81
<b>Total</b>		<b>137.21</b>	<b>118.65</b>	<b>137.21</b>	<b>118.65</b>
<b>Financial Liabilities</b>					
<b>Amortized cost</b>					
Borrowings	Level 3	822.79	104.79	822.79	104.79
Lease Liabilities	Level 3	5.86	2.07	5.86	2.07
Trade payables	Level 3	168.62	285.95	168.62	285.95
Other Financial Liabilities	Level 3	36.89	12.72	36.89	12.72
<b>Total</b>		<b>1,034.16</b>	<b>701.23</b>	<b>1,034.16</b>	<b>701.23</b>

### III 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.

**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.

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

## Notes to the Standalone Financial Statements

### NOTE 49: FINANCIAL RISK MANAGEMENT

The company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the company. Together they help in achieving the business goals and objectives consistent with the Company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

#### I. 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 recognized 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
<b>As at March 31, 2022</b>				
Gross Carrying Amount	108.04	106.85	1.19	108.04
Less: Allowance for expected credit losses	0.06			0.06
<b>Carrying Amount (net of impairment)</b>	<b>107.98</b>	<b>106.85</b>	<b>1.19</b>	<b>107.98</b>

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.

## Notes to the Standalone Financial Statements

The changes in loss allowance for trade receivables is as under :-

(₹ In Crore)	
Particulars	As at March 31, 2022
<b>Opening Balance</b>	-
Provided during the year	0.06
Reversed during the year	-
<b>Closing Balance</b>	<b>0.06</b>

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.

### II. 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.

#### (i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

(₹ in Crore)				
As at March 31, 2022	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings	717.96	104.83	-	822.79
Lease Liability	1.90	3.96	-	5.86
Trade payables	167.78	0.84	-	168.62
Other financial liabilities	36.89	-	-	36.89
<b>Total</b>	<b>924.53</b>	<b>109.63</b>	<b>-</b>	<b>1,034.16</b>

(₹ in Crore)				
As at March 31, 2021*	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings	295.70	99.19	-	394.89
Lease Liability	2.07	5.60	-	7.67
Trade payables	285.95	-	-	285.95
Other financial liabilities	12.72	-	-	12.72
<b>Total</b>	<b>596.44</b>	<b>104.79</b>	<b>-</b>	<b>701.23</b>

## Notes to the Standalone Financial Statements

### (III) 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, 2022 and March 31, 2021. 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, 2022 and March 31, 2021.

#### (a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company 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.

(₹ in Crore)

Particulars	USD	
	As at March 31, 2022	As at March 31, 2021*
<b>Financial Assets</b>		
Trade Receivables	-	-
Bank Balances	-	-
Other Current Financial Assets	-	-
Net exposure to foreign currency risk (Assets)	-	-

(₹ in Crore)

Particulars	USD	
	As at March 31, 2022	As at March 31, 2021*
<b>Financial Liabilities</b>		
Other Current Liabilities	-	-
Trade payables	-	-
Letter of Credit	-	-
Net exposure to foreign currency risk (Liabilities)	-	-
Net exposure	-	-

#### Sensitivity analysis -

A reasonably possible strengthening (weakening) of the Indian Rupee, by 5%, against all other currencies would have affected the measurement of financial instruments denominated in a foreign currency profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.



## Notes to the Standalone Financial Statements

### 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.

### Impact of Hedging Activities

Disclosure of effects of Hedge Accounting on Financial Position

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 recognizing hedge effectiveness
	Asset	Liabilities	Asset	Liabilities				
Cash Flow Hedge								
Foreign exchange risk								
(i) Foreign Exchange Forward Contracts					Nil			

\* Nominal value is the ₹ value of the instrument based on spot rate of the first hedge

# Carrying value is the ₹ value of the instrument based on the spot rate of the reporting date

### (b) 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.

### (c) Commodity price risk

Sugar industry being cyclical in nature, realizations get adversely 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.

### (d) 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.

Particulars	As at March 31, 2022	As at March 31, 2021*
Variable rate borrowings	740.62	278.86
Fixed rate borrowings	82.17	116.03
<b>Total</b>	<b>822.79</b>	<b>394.89</b>

## Notes to the Standalone Financial Statements

### Sensitivity:

A change of 50 basis points in interest rates would have following impact on profit after tax-

Particulars	As at March 31, 2022	As at March 31, 2021*
Interest rates – increase by 50 basis points *	3.70	1.39
Interest rates – decrease by 50 basis points *	(3.70)	(1.39)

\* Holding all other variables constant

### (e) Price Risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet at fair value through profit or loss. Since the company does not have material equity investments measured at fair value through profit or loss, there is no material price risk exposure at the end of the financial year.

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

### NOTE 50: CAPITAL 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. The Capital structure of the company consists of net debt (borrowings offset by cash and bank balances) and equity of the Company (Comprising issued capital, reserves and retained earnings).

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 seek 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.

The Company monitors capital using a gearing ratio calculated as below:

(₹ in Crore)		
Particulars	As at March 31, 2022	As at March 31, 2021*
Debt#	822.79	394.89
Less: cash and cash equivalents & bank balances	18.55	0.68
<b>Net debt</b>	<b>804.24</b>	<b>394.21</b>
Equity	884.82	780.94
<b>Gearing Ratio { net debt / (equity + net debt)}</b>	<b>47.61%</b>	<b>33.55%</b>

#Debt is defined as non-current and current borrowings including current maturities of non-current borrowings, as given in notes.

\*Restated pursuant to the Scheme of Arrangement (Refer note 44)

## Notes to the Standalone Financial Statements

### NOTE 51: RATIO ANALYSIS AND ITS ELEMENTS\*

Particulars	Units	March 31, 2022	Numerator	Denominator
Current Ratio (Current Assets/Current Liabilities)	Times	1.27	1,215.23	956.33
Debt-Equity Ratio {Total Debt (Long Term Debt and Short Term Debt including Current Maturities)/Shareholder's Equity}	Times	0.93	822.79	884.82
Debt Service Coverage ratio (Profit After Tax + Interest on Term Loan + Depreciation/ Interest on Term Loan + Long Term Principal Repayment)	Times	3.10	140.26	45.27
Inventory Turnover ratio (Revenue From Operations/Average Inventory)	Times	1.74	1,540.90	887.02
Trade Receivable Turnover Ratio (Total Credit Sales/Average Trade Receivables)	Times	14.45	1,540.90	106.61
Trade Payable Turnover Ratio (Total Credit Purchases/Average Trade Payables)	Times	6.30	1,432.49	227.29
Net Capital Turnover Ratio {(Total Income/Working Capital (i.e. Current Assets - Current Liabilities))}	Times	5.98	1,548.13	258.90
Net Profit ratio (Net Profit after tax/Total Revenue)	Percentage	6.69%	103.61	1,548.13
Return on Equity ratio (Profit after tax/Shareholder's Equity)	Percentage	11.71%	103.61	884.82
Return on Capital Employed (Profit Before Tax + Finance cost/Equity + Debt + Deferred Tax Liability)	Percentage	9.42%	163.41	1,734.62
Return on Investment (Profit after Tax/Total Assets)	Percentage	5.18%	103.61	2,000.24

\*The Demerged undertakings of the demerged Company has been vested with the Company from the appointed date of April 1, 2021. The audited Financial Information of the Demerged undertakings are not available for Financial year 2020-21. Accordingly the required ratio could not be reported for the previous financial year 2020-21.

### NOTE 52: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of financial statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 30, 2022 there were no material subsequent events to be recognized or reported that are not already disclosed.

### NOTE 53: OFFSETTING FINANCIAL INSTRUMENTS

The are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at each reporting date.

### NOTE 54: IMPACT OF COVID 19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these restated financial information, including but not limited to its assessment of, recoverable values of its financial and non-financial assets, impact on revenue recognition, and impact on leases. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these restated consolidated financial information and believes that the impact of COVID-19 is not material to these financial information and expects to recover the carrying amount of its assets. The impact of COVID-19 on the restated financial information may differ from that estimated as at the date of approval of these restated financial information owing to the nature and duration of COVID-19.

## Notes to the Standalone Financial Statements

### NOTE 55: CODE ON SOCIAL SECURITY, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on 13 November 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

### NOTE 56: RECONCILIATION OF QUARTERLY BANK RETURNS

#### Note for discrepancies :

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts. Further difference also arises on account of different valuation methodology adopted for valuing the finished goods stock in the books and for the purpose of reporting in the bank return. In the books, stock of finished goods is recorded at lower of cost or net realisable value but for bank purposes it is taken at net realisable value which is determined as per bank norms.

However there is no material difference in reporting the quantity of stock in the bank returns as compared to books of accounts.

(₹ in Crore)				
Name of the bank	Quarter Ended	Amount as per books of account	Amount as reported in the quarterly returns/ statements	Amount of difference
Working Capital Lenders	March 31, 2022	1,102.78	1,037.59	65.19
Working Capital Lenders	December 31, 2021	624.92	567.09	57.84
Working Capital Lenders	September 30, 2021	387.40	385.57	1.83
Working Capital Lenders	June 30, 2021	710.52	735.73	(25.21)

### NOTE 57: OTHER STATUTORY INFORMATION

- (i) The Company does not have any transactions with struck off companies.
- (ii) All the borrowings appearing the financial statements are transferred under the Scheme of Arrangement (Refer Note 44) in the books of Company and are held in the name of Demerged Company. Accordingly, no charge or satisfaction of charge was required to be filed by the Company and hence there is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the period/year.
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Notes to the Standalone Financial Statements

- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### NOTE 58: OTHER NOTES

- (i) In the opinion of the Board of Directors, Trade Receivables, other current financial assets, and other current assets have a value on realization in the ordinary course of the company's business, which is at least equal to the amount at which they are stated in the balance sheet.
- (ii) The Board of Directors at its meeting held on May 30, 2022 has approved the Financial Statement for the year ended March 31, 2022.
- (iii) The figures for year ended March 31, 2022 are not comparable with previous period, on account of giving effect to the Scheme of Arrangement w.e.f. March 31, 2021 and not reporting of the figures relating to demerged units, in the Statement of Profit and Loss for the year ended March 31, 2021 as stated in Note No 44.

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
M. No.: 073794

**V. K. Goel**  
Chairman  
(Din 00075317)

**Sandeep Kumar Sharma**  
Whole Time Director  
(Din 06906510)

**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022

# Independent Auditor's Report

To  
**The Members of**  
**DHAMPUR BIO ORGANICS LIMITED**  
**Asmoli, Sambhal, U.P.**

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### OPINION

We have audited the accompanying Consolidated financial statements of **DHAMPUR BIO ORGANICS LIMITED** (hereinafter referred to as "the Holding Company"), and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to Consolidated Financial statements, and 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 auditor on separate Financial Statements and on the other financial information of the subsidiary 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, 2022, of its consolidated profit and total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

### BASIS FOR OPINION

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

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

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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 matter:

#### 1. Determination of Net Realizable Value of Sugar for comparison with Cost of Production (COP) for valuation of inventory:

As on March 31, 2022, the Group has inventory of sugar with a carrying value of ₹ 988.42 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 determination of Net Realizable Value.

#### 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. Business Combination: Demerger of three undertakings from Dhampur Sugar Mills Limited and transferred to the Holding Company – Refer Note No 42 of the Consolidated Financial Statements.

As per the Scheme of Arrangement of demerger ('the Scheme'), three undertakings has demerged from Dhampur Sugar Mills Limited (DSM) transferred to the Holding Company w.e.f. April 1, 2021. The Scheme was approved by National Company Law Tribunal ('NCLT') vide order dated April 27, 2022. The Group has given effect of the Scheme in the consolidated financial statements considering business combination under common control as per the requirements of Ind AS 103. The Scheme has a significant impact on the consolidated financial statements of the Group including reserve and comparative figures basis which the same is considered as a key audit matter for the year.

Our audit procedure included the following:

- Obtained and read the Scheme, and compared the assets and liabilities pertaining to three undertakings considered for accounting as per the Scheme.
- Assessed the accounting as per applicable accounting standards including, for cancellation of shareholding of DSM and issuing of equity shares to shareholders of DSM as per the share swap ratio approved in the Scheme.
- Obtained and read the approval of National Company Law Tribunal (NCLT) giving effect to the Scheme.
- Assessed accounting in accordance with Scheme.
- Tested underlying workings used in accounting calculations, including for previous year (March 31, 2021) restated financial information of the Group.
- Read and assessed the disclosures in the consolidated financial statements for compliance with disclosure requirements.

Based on the above procedures performed, the accounting of business combination and its presentation in the consolidated financial statements by the management considered appropriate and found to be in compliance with the Scheme and applicable accounting standard.

## INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's annual 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 in the audit or otherwise appears to be materially misstated. When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

## 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 Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and 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 judgements 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Consolidated 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 Board of Directors.
- Conclude on the appropriateness of Board of Director's of the Holding Company 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 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 Company 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 information of such entities included in the Consolidated Financial Statements of which we are the independent auditors. 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 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 one subsidiary company i.e. Dhampur International Pte Ltd. considered in the preparation of the Consolidated Financial Statements and which together constitutes total assets of ₹ 7.38 Crore as at March 31, 2022, total revenue of ₹ 0.42 Crore and total comprehensive loss (comprising of net income after tax and other comprehensive income) of ₹ 4.34 Crore for the year ended March 31, 2022. 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 aforesaid subsidiary company, and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary company, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements provided by the Management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government 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 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
3. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to consolidated 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 with reference to consolidated financial statements.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group, as detailed in note no. 37 to the consolidated financial statements, has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
  - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022.
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.
  - iv. (a) The Management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the holding company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented to us that, to the best of its knowledge and belief, no funds ( which are material either individually or in aggregate) have been received by the holding company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the holding company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub- clause (i) and (ii) of Rule 11 (e) as provided under paragraph (2) (h) (iv) (a) & (b) above, contain any material misstatement.
  - v) The Group has not declared or proposed dividend during the year.

**FOR MITTAL GUPTA & CO.**

Chartered Accountants  
FRN 01874C

**(Bihari Lal Gupta)**

Partner  
Membership No. 073794  
Place: New Delhi  
Date: 30.05.2022  
UDIN: 22073794ALFTLR7516

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DHAMPUR BIO ORGANICS LIMITED ON ITS CONSOLIDATED FINANCIAL STATEMENTS DATED 30.05.2022.**

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

- i) Since, the Group has not any Indian Subsidiary Company, the provisions of paragraph (xxi) of the Order are not applicable to the group.

### **FOR MITTAL GUPTA & CO.**

Chartered Accountants  
FRN 01874C

### **(Bihari Lal Gupta)**

Partner  
Membership No. 073794  
Place: New Delhi  
Date: 30.05.2022

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DHAMPUR BIO ORGANICS LIMITED ON ITS CONSOLIDATED FINANCIAL STATEMENTS DATED 30.05.2022.**

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 3(f) of 'Report on Other Legal and Regulatory Requirements' section.

In conjunction with our audit of the Consolidated Financial Statements of Dhampur Bio Organics Limited ("the Holding Company") as of March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary company, as of that date as of March 31, 2022.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Management of Holding Company and its Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the internal financial controls 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 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 with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, 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 risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS SYSTEM OVER FINANCIAL REPORTING WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

A company's internal financial controls 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 controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls 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.

## OPINION

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting with reference to Consolidated Financial Statements criteria

established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## FOR MITTAL GUPTA & CO.

Chartered Accountants  
FRN 01874C

## (Bihari Lal Gupta)

Partner  
Membership No. 073794  
Place: New Delhi  
Date: 30.05.2022

# Consolidated Balance Sheet

As at March 31, 2022

		(₹ in Crore)	
Particulars	Note No.	As at March 31, 2022	As at March 31, 2021*
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	684.07	621.54
Right-of-Use Assets	5	6.43	9.12
Capital Work-in-progress	6	77.90	6.99
Intangible Assets		-	-
Financial Assets			
(i) Investments	7	-	0.19
(ii) Others	8 (i)	1.72	1.40
Other Non Current Assets	9 (i)	8.47	11.33
<b>Total Non-Current Assets</b>	(a)	<b>778.59</b>	<b>650.57</b>
<b>Current Assets</b>			
Inventories	10	1,056.64	717.39
Financial Assets			
(i) Trade Receivables	11	107.51	106.56
(ii) Cash and Cash Equivalents	12	22.98	13.87
(iii) Bank balances other than (ii) above	13	2.03	0.81
(iv) Loans and Advances	14	2.35	5.88
(v) Others	8 (ii)	0.31	0.05
Other Current Assets	9 (ii)	30.13	56.01
<b>Total Current Assets</b>	(b)	<b>1,221.95</b>	<b>900.57</b>
<b>Total Assets</b>	(a+b)	<b>2,000.54</b>	<b>1,551.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	15	66.39	66.39
Other Equity	16	811.06	708.56
<b>Total Equity</b>	(c)	<b>877.45</b>	<b>774.95</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	17 (i)	104.83	99.19
(ii) Lease Liabilities	18 (i)	3.96	5.73
Provisions	21 (i)	17.53	17.36
Deferred tax liabilities (net)	24	34.55	30.73
Other Non-Current Liabilities	22 (i)	5.76	5.45
<b>Total Non-Current Liabilities</b>	(d)	<b>166.63</b>	<b>158.46</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	17 (ii)	717.96	295.85
(ii) Lease Liabilities	18 (ii)	1.90	2.07
(iii) Trade Payables	19		
(a) Due to Micro and Small Enterprises		3.40	0.28
(b) Other than Micro and Small Enterprises		165.27	297.59
(iv) Others	20	36.97	12.74
Provisions	21 (ii)	2.38	1.15
Other Current Liabilities	22 (ii)	27.85	8.05
Current Tax Liabilities (Net)	23	0.73	-
<b>Total Current Liabilities</b>	(e)	<b>956.46</b>	<b>617.73</b>
<b>Total Equity And Liabilities</b>	(c+d+e)	<b>2,000.54</b>	<b>1,551.14</b>

The accompanying notes from 1 to 55 form an integral part of the Consolidated Financial Statements.

\*Presented pursuant to the Ind AS 103 (Refer note 42)

This is the Consolidated Balance Sheet referred to in our report of even date

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
M. No.: 073794

**V. K. Goel**  
Chairman  
(Din 00075317)

**Sandeep Kumar Sharma**  
Whole Time Director  
(Din 06906510)

**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022

# Consolidated Statement of Profit and Loss

For the year ended March 31, 2022

(₹ in Crore)

Particulars	Note No.	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>INCOME</b>			
I. Revenue from Operations	25	1,540.90	-
II. Other Income	26	7.69	-
<b>III. Total Income</b>		<b>1,548.59</b>	<b>-</b>
<b>IV. Expenses</b>			
(a) Cost of Raw Materials Consumed	27	1,434.67	-
(b) Purchase of Stock-in-Trade	28	7.91	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(310.99)	-
(d) Employees benefits expenses	30	73.63	-
(e) Depreciation and Amortisation	31	31.29	-
(f) Finance costs	32	30.13	-
(g) Other Expenses	33	152.98	0.01
<b>Total Expenses</b>		<b>1,419.62</b>	<b>0.01</b>
<b>V. Profit/(Loss) Before Exceptional Items and Tax (III-IV)</b>		<b>128.97</b>	<b>(0.01)</b>
VI. Exceptional Items		-	-
<b>VII. Profit/(Loss) Before Tax (V-VI)</b>		<b>128.97</b>	<b>(0.01)</b>
<b>VIII. Tax Expense</b>			
(a) Current Tax	34	23.29	-
(b) Deferred Tax	34	3.79	-
<b>IX. Profit/(Loss) for the year (VII-VIII)</b>		<b>101.89</b>	<b>(0.01)</b>
<b>X. Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss	35		
- Remeasurement benefits (losses) on defined benefit obligation		0.12	-
- Gain (loss) on fair value of equity investments		(0.01)	-
(ii) Tax on above		(0.03)	-
B (i) Items that will be reclassified to profit or loss			
- Foreign Currency Translation Reserve		0.35	-
Other Comprehensive Income to be transferred to Other Equity for the year		0.43	-
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>102.32</b>	<b>(0.01)</b>
<b>XII. Earnings Per Share:</b>			
Basic : (₹)	36	15.35	(23.25)
Diluted : (₹)	36	15.35	(23.25)

The accompanying notes from 1 to 55 form an integral part of the consolidated financial statement

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
M. No.: 073794

**V. K. Goel**  
Chairman  
(Din 00075317)

**Sandeep Kumar Sharma**  
Whole Time Director  
(Din 06906510)

**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022

# Consolidated Statement of Changes in Equity

For the year ended March 31, 2022

## A. EQUITY SHARE CAPITAL

	No. of Shares	(₹ in Crore)
<b>Balance as at October 6, 2020</b>	100000	0.10
Changes in Equity Share Capital during the period		
Add: Addition pursuant to Scheme of Arrangement*	66387590	66.39
Less: Shares cancelled pursuant to the Scheme of Arrangement	(1,00,000)	(0.10)
<b>Balance as at March 31, 2021*</b>	<b>66387590</b>	<b>66.39</b>
<b>Balance as at April 1, 2021</b>	<b>66387590</b>	<b>66.39</b>
Change in Equity shares Capital due to prior period errors	-	-
<b>Restated balance at April 1, 2021</b>	<b>66387590</b>	<b>66.39</b>
Changes in Equity Share Capital during the year	-	-
<b>Balance as at March 31, 2022</b>	<b>66387590</b>	<b>66.39</b>

## B. OTHER EQUITY

	Reserves & Surplus			Other Comprehensive Income			Total
Particulars	Capital Reserve	Storage Fund/ Reserve for Molasses	Retained Earnings	FVOCI equity investment reserve	Foreign Currency Translation Reserve	Remeasurement of defined benefit plans	
<b>Balance as at October 6, 2020</b>	-	-	-	-	-	-	-
Add: Addition pursuant to Scheme of Arrangement*	708.41	-	-	(0.14)	0.30	-	708.57
Add: Profit/(Loss) for the year	-	-	(0.01)	-	-	-	(0.01)
Add: Comprehensive Income for the period	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021/ April 1, 2021*</b>	<b>708.41</b>	<b>-</b>	<b>(0.01)</b>	<b>(0.14)</b>	<b>0.30</b>	<b>-</b>	<b>708.56</b>
Change in Accounting Policy or Prior period errors	-	-	-	-	-	-	-
<b>Restated balance as at March 31, 2021/ April 1, 2021*</b>	<b>708.41</b>	<b>-</b>	<b>(0.01)</b>	<b>(0.14)</b>	<b>0.30</b>	<b>-</b>	<b>708.56</b>
Add: Profit after tax for the year	-	-	101.89	-	-	-	101.89
Add: Comprehensive Income for the year	-	-	-	-	0.35	0.09	0.44
Add: Molasses fund created during the year	-	0.18	-	-	-	-	0.18
Add/(Less): Transfer to/from storage fund for molasses / Retained Earnings	-	0.17	(0.17)	-	-	-	-
Add: Transferred from FVOCI Equity Investments	-	-	(0.15)	-	-	-	(0.15)
Add: Addition during the year	-	-	-	(0.01)	-	-	(0.01)
Add: Transferred to Retained earnings from FVOCI Equity Investments	-	-	-	0.15	-	-	0.15
<b>Balance as at March 31, 2022</b>	<b>708.41</b>	<b>0.35</b>	<b>101.56</b>	<b>-</b>	<b>0.65</b>	<b>0.09</b>	<b>811.06</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

The accompanying notes from 1 to 55 form an integral part of the consolidated financial statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
M. No.: 073794

**V. K. Goel**  
Chairman  
(Din 00075317)

**Sandeep Kumar Sharma**  
Whole Time Director  
(Din 06906510)

**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022

# Consolidated Statement of Cash Flow

For the year ended March 31, 2022

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before tax for the year	128.97	(0.01)
<b>Adjustments for:</b>		
Interest income	(0.52)	-
Loss/(Profit) on Sale of Property, Plant and Equipment (net)	(1.67)	-
Transfer to Sugar Molasses Fund	0.18	-
Depreciation	31.29	-
Interest expense	30.13	-
Allowance for expected credit loss	0.06	-
Foreign Currency Translation Reserve	0.35	-
Bad debts written-off	0.67	-
<b>Operating cash flow before working capital changes</b>	<b>189.46</b>	<b>(0.01)</b>
Changes in inventories	(339.25)	-
Changes in trade and other receivables	(1.90)	-
Changes in other non current and current financial asset	(0.52)	-
Changes in other non current and other current assets	25.83	-
Changes in trade and other payables	(128.98)	#
Changes in other non-current and other current financial liabilities	24.23	-
Changes in other non-current and other current liabilities	5.70	-
Changes in long term and short term provision	1.52	-
<b>Cash (used in) / generated from operations</b>	<b>(223.91)</b>	<b>(0.01)</b>
Income taxes (paid)/ Refund (net)	(22.56)	-
<b>Net Cash Generated from/ (used in) Operating Activities</b> <b>A.</b>	<b>(246.47)</b>	<b>(0.01)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment and Intangible assets	(161.90)	-
Proceeds from sale of Property, Plant and Equipment and Intangible assets	18.99	-
Investment sold	0.18	-
Changes in Loans ( Net)	3.53	-
Interest received	2.13	-
Changes in fixed deposit placed with Banks	(1.22)	-
<b>Net cash generated from investing activities</b> <b>B.</b>	<b>(138.29)</b>	<b>-</b>

# Consolidated Statement of Cash Flow

For the year ended March 31, 2022

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>C. Cash flow from financing activities</b>		
Payment of lease liability	(2.54)	-
Proceeds from equity share capital	-	0.01
Repayment of long term borrowings	(47.57)	-
Proceeds from long term borrowings	84.25	-
Proceeds/ (Repayment) of short term borrowings	392.50	-
Interest payment on borrowings	(32.77)	-
<b>Net cash generated from / (used in) financing activities C.</b>	<b>393.87</b>	<b>0.01</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>9.11</b>	<b>-</b>
Cash and cash equivalents at the beginning of year	#	-
Add: Cash and cash equivalents acquired on pursuant to the Scheme of Arrangement (Refer note 42)	13.87	-
<b>Cash and cash equivalents at the end of year (refer note below)</b>	<b>22.98</b>	<b>#</b>

**Note:**

- The above consolidated statement of cash flow has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS 7).
- Figures in brackets indicate cash outflow from respective activities.
- Cash and cash equivalents as at the Balance Sheet date consists of :

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
(i) Cash in hand	0.55	#
(ii) Cheque in Hand	15.58	-
(iii) Balances with banks:	6.85	-
<b>Total</b>	<b>22.98</b>	<b>#</b>

#Represent amount below ₹ 50,000/-

\*Presented pursuant to the Ind AS 103 (Refer note 42)

The accompanying notes from 1 to 55 form an integral part of the Consolidated Financial Statements

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
M. No.: 073794

**V. K. Goel**  
Chairman  
(Din 00075317)

**Sandeep Kumar Sharma**  
Whole Time Director  
(Din 06906510)

**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022



# Notes to the Consolidated Financial Statements

## 1 COMPANY OVERVIEW

### Corporate Information

The consolidated financial statements comprises financial statements of Dhampur Bio Organics Limited ('the Company') and its subsidiary Company, Dhampur International PTE Ltd (collectively referred to as "the Group") for the year ended March 31, 2022.

The Company having having CIN No. U15100UP2020PLC136939 is a public limited company and incorporated under the provision of the Companies Act, 2013 applicable in India and has its registered office of the Company is situated at Sugar Mill Compound, Village Asmoli Sambhal Moradabad Uttar Pradesh, India.

Allahabad Bench of the NCLT, through its order dated April 27, 2022 (the "Order"), which became effective May 3, 2022 has approved the Scheme of Arrangement ("the Scheme") between Dhampur Sugar Mills Limited ("DSM" or "Demerged Company") and Dhampur Bio Organics Limited ("Resulting Company"/"The Company") and their respective shareholders and creditors. The scheme has been approved by Board of Directors of both the Companies on June 7, 2021 for Demerger of manufacturing units of Sugar, chemicals and co-generation of the Demerged company situated at Asmoli, District Sambhal, Mansurpur, district Muzaffarnagar and Meeranji, district Bareilly (Collectively referred to as "Demerged Undertakings") and for transfer of entire equity shares of Dhampur International PTE Ltd from Demerged Company into Resulting Company with effect from Appointed Date i.e. April 01, 2021. Accordingly, the consolidated financial statements have been prepared after giving effect of the Scheme.

The existing equity shares of the Company are at present not listed on the Stock Exchanges and are being held by DSM. As per the provision of the Scheme, the existing equity shares shall stand cancelled on allotment of new equity shares to the shareholders of DSM in the ratio of 1:1. The Company has allotted the new equity shares on May 23, 2022 and these shares will be listed on two stock exchanges namely, National Stock Exchange and Bombay Stock Exchange.

The company is engaged mainly in the manufacturing and selling of sugar, chemicals, ethanol and co-generation and sale of power.

Its allied business consist of Business of importers, exporters of sugar, ethyl alcohol and other agri commodities.

## 2 CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES:

The significant accounting policies applied by the Company 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 relevant amendment rules thereafter and accounting principles generally accepted in India.

These consolidated financial statements are approved and adopted by Board of Directors in their meeting held on Monday, May 30, 2022.

#### 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, assets for defined benefit plans and Biological assets that are measured at fair value, 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.

## Notes to the 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 Bio Organics Limited ("The Company" and its Subsidiary Collectively referred as the "Group"). The Company consolidates all entities which are controlled by it.

In the case of subsidiary company, 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 loses 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. Under the scheme of Arrangement, the Group obtained control on the Subsidiary w.e.f. April 1, 2021 (Refer Note No. 42). The Proportion of ownership in the subsidiary is as follows:

<b>Name of subsidiary</b>	<b>Country of incorporation</b>	<b>Proportion of ownership interest</b>
Dhampur International PTE Ltd	Singapore	100.00%

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.

## Notes to the Consolidated Financial Statements

- (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.

### 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 Group's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Group 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.

## Notes to the Consolidated Financial Statements

### 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.

Property, plant and equipment acquired under the Scheme of arrangement of demerger of undertakings are stated at the carrying amount appearing in the books of Demerged Group.

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.

## Notes to the Consolidated Financial Statements

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 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 Group 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
Weighbridge	15 years
Computers	03 years
Office equipment	05 years
Electrical appliances	15 years
Vehicles	08 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.

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.

## Notes to the Consolidated Financial Statements

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 as follows:

- 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 the cumulative 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 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. 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 Group 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 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.



# Notes to the Consolidated Financial Statements

## 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:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the contract will flow to the Group;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- 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 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 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.

## ix. Expenses

All expenses are accounted for on accrual basis.

## x. 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.

## Notes to the Consolidated Financial Statements

### **xi. 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 Group 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.

### **xii. 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.

## Notes to the Consolidated Financial Statements

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.

### xiii. Provision for current and deferred tax

#### (a) 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 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.

#### (b) 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.

## Notes to the Consolidated Financial Statements

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.

### **xiv. Impairment of non-financial assets**

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.

### **xv. 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.

### **xvi. 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.

## Notes to the Consolidated Financial Statements

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 Group. 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.

### **xvii. 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.

### **xviii. Dividend payable**

Dividends and interim dividends payable to a 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.

### **xix. 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.

### **xx. Equity Issue Expenses**

Expenses incurred on issue of equity shares are charged in securities premium account in the year in which it is incurred.

### **xxi. 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.

## Notes to the Consolidated Financial Statements

### 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.

#### d) Equity investments

All equity investments, except investments in subsidiary company 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.

Equity investments in subsidiary company are carried at cost except for the equity investments in subsidiary company 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 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



## Notes to the Consolidated Financial Statements

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 lifetime 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"

### **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.

## **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 Group'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.

## Notes to the Consolidated Financial Statements

### xxii. 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.

### xxiii. 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.

## Notes to the Consolidated Financial Statements

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 consolidated 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.

### xxiv. 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.

## Notes to the Consolidated Financial Statements

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 Group also made contribution to the provident fund set up as irrevocable trust. The Group 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 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.

## xxv. 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".

# Notes to the Consolidated Financial Statements

## xxvi. 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.

## xxvii. 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.

## 3 USE OF ESTIMATES AND MANAGEMENT JUDGEMENTS

The preparation of consolidated financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the Group 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.

## Notes to the Consolidated Financial Statements

### iv. Provision for income taxes and deferred tax assets

The Group'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. 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.

### vi. 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 to the Consolidated Financial Statements

## NOTE 4: PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Land	Building	Plant & Machinery	Computers	Vehicles	Furniture and fixtures	Office equipment	Weigh-bridge	Electrical Appliances	Farm Equipments	Total
<b>Gross Block</b>											
<b>Gross Carrying amount as at October 6, 2020</b>	-	-	-	-	-	-	-	-	-	-	-
Addition on Pursuant to Scheme	150.89	87.71	818.45	4.44	9.91	3.66	1.87	4.89	2.67	0.03	1,084.52
Addition during the period	-	-	-	-	-	-	-	-	-	-	-
Disposals/deductions during the period	-	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount as at March 31, 2021*</b>	<b>150.89</b>	<b>87.71</b>	<b>818.45</b>	<b>4.44</b>	<b>9.91</b>	<b>3.66</b>	<b>1.87</b>	<b>4.89</b>	<b>2.67</b>	<b>0.03</b>	<b>1,084.52</b>
Gross carrying amount as at April 1, 2021	150.89	87.71	818.45	4.44	9.91	3.66	1.87	4.89	2.67	0.03	1,084.52
Addition during the year	-	3.14	102.91	0.83	1.71	0.15	0.08	0.17	0.49	-	109.48
Disposals/deductions during the year	(0.11)	(0.40)	(55.58)	(0.64)	(2.60)	(0.06)	(0.12)	-	(0.03)	-	(59.54)
<b>Gross carrying amount as at March 31, 2022</b>	<b>150.78</b>	<b>90.45</b>	<b>865.78</b>	<b>4.63</b>	<b>9.02</b>	<b>3.75</b>	<b>1.83</b>	<b>5.06</b>	<b>3.13</b>	<b>0.03</b>	<b>1,134.46</b>

### Accumulated Amortisation and impairment losses

(₹ in Crore)

Particulars	Land	Building	Plant & Machinery	Computers	Vehicles	Furniture and fixtures	Office equipment	Weigh-bridge	Electrical Appliances	Farm Equipments	Total
<b>Balance as at October 6, 2020</b>	-	-	-	-	-	-	-	-	-	-	-
Addition on Pursuant to Scheme	-	36.80	408.13	3.76	4.25	3.12	1.46	3.59	1.86	0.01	462.98
Charge for the period	-	-	-	-	-	-	-	-	-	-	-
Disposal/Deductions during the period	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021*</b>	<b>-</b>	<b>36.80</b>	<b>408.13</b>	<b>3.76</b>	<b>4.25</b>	<b>3.12</b>	<b>1.46</b>	<b>3.59</b>	<b>1.86</b>	<b>0.01</b>	<b>462.98</b>
Balance as April 1, 2021	-	36.80	408.13	3.76	4.25	3.12	1.46	3.59	1.86	0.01	462.98
Charge for the year	-	3.45	23.51	0.32	0.89	0.07	0.11	0.12	0.14	-	28.61
Disposal/Deductions during the year	-	(0.34)	(39.13)	(0.60)	(0.94)	(0.06)	(0.11)	-	(0.02)	-	(41.20)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>39.91</b>	<b>392.51</b>	<b>3.48</b>	<b>4.20</b>	<b>3.13</b>	<b>1.46</b>	<b>3.71</b>	<b>1.98</b>	<b>0.01</b>	<b>450.39</b>
Net Carrying Amount											
<b>As at March 31, 2021*</b>	<b>150.89</b>	<b>50.91</b>	<b>410.32</b>	<b>0.68</b>	<b>5.66</b>	<b>0.54</b>	<b>0.41</b>	<b>1.30</b>	<b>0.81</b>	<b>0.02</b>	<b>621.54</b>
<b>As at March 31, 2022</b>	<b>150.78</b>	<b>50.54</b>	<b>473.27</b>	<b>1.15</b>	<b>4.82</b>	<b>0.62</b>	<b>0.37</b>	<b>1.35</b>	<b>1.15</b>	<b>0.02</b>	<b>684.07</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

## Notes to the Consolidated Financial Statements

### NOTE 4.1 DISCLOSURES

- Refer to Note 45(a) and Note 45(c) for information on Property, Plant & Equipment hypothecated as security by the Company.
- Refer Note 37 (II) for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.
- There are no proceedings against the holding company, being the Company registered under "the Act", that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

### NOTE 5: RIGHT-OF-USE ASSETS

(₹ in Crore)

Particulars	Premises	
	As at March 31, 2022	As at March 31, 2021*
<b>Gross Carrying Cost</b>		
Opening Balance	12.31	-
Add: Addition Pursuant to Scheme of Arrangement (Refer note 42)	-	12.31
Less: Disposals/deductions during the year	0.61	-
<b>Gross carrying amount</b>	<b>11.70</b>	<b>12.31</b>
<b>Depreciation</b>		
Opening Balance	3.19	-
Add: Addition Pursuant to Scheme of Arrangement (Refer note 42)	-	3.19
Add: Charges for the year	2.69	-
Less: Disposals/deductions during the year	0.61	-
<b>Closing Balance</b>	<b>5.27</b>	<b>3.19</b>
<b>Net Carrying Amount</b>	<b>6.43</b>	<b>9.12</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 6: CAPITAL WORK-IN-PROGRESS

(₹ in Crore)

Particulars		As at March 31, 2022	As at March 31, 2021*
<b>Opening balance</b>			
Plant and equipment/Civil Work-in-progress	(A)	6.99	-
<b>Additions during the year</b>			
Addition Pursuant to Scheme of Arrangement (Refer note 42)		-	6.99
Additions during the year		170.75	
	(B)	170.75	6.99
<b>Total CWIP during the year</b>	C=(A+B)	<b>177.74</b>	<b>6.99</b>
Capitalised during the year		98.27	-
Finance Cost Capitalized during the year#		1.57	
<b>Total Capitalized during the year</b>	D	99.84	-
<b>Closing Balance</b>	E=(C-D)	<b>77.90</b>	<b>6.99</b>

# The finance costs on specific borrowings capitalized during the year amounted to ₹ 1.57 Crore using the capitalization rate of 3.98 % 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.

## Notes to the Consolidated Financial Statements

### NOTE 6.1: CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

CWIP ageing schedule as at March 31, 2022

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More then 3 years	
Projects in progress	77.90	-	-	-	77.90
Projects temporarily suspended#			Nil		

CWIP ageing schedule as at March 31, 2021

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More then 3 years	
Projects in progress	6.99	-	-	-	6.99
Projects temporarily suspended#			Nil		

#No Projects have been temporarily suspended.

### NOTE 6.2

There is no project in progress as at March 31, 2021 and March 31, 2022 whose completion is overdue nor the cost of any project has exceeded the amount compared to its original plan.

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 7: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(I) Equity Instruments</b>		
<b>Investment in others (Quoted)</b>		
BP PLC	-	0.19
(PY: 6400 Equity shares at Face value GBP 5.7269)		
<b>Total</b>	<b>-</b>	<b>0.19</b>

### NOTE 7.1: DISCLOSURE FOR MEASUREMENT OF INVESTMENTS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Investment carried at deemed cost/Cost	-	-
Investment carried at fair value through FVTPL	-	-
Investment carried at fair value through OCI	-	0.19

## Notes to the Consolidated Financial Statements

### NOTE 7.2: DISCLOSURE FOR VALUATION METHOD USED

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Aggregate amount of quoted investments and market value	-	0.19
Aggregate amount of unquoted investments	-	-

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 8: FINANCIAL ASSETS - OTHERS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(Unsecured and considered good, unless otherwise stated)</b>		
<b>(i) Non- Current</b>		
<b>Security deposits</b>		
- to related parties#	1.14	1.38
- to others	0.58	0.02
<b>Total</b>	<b>1.72</b>	<b>1.40</b>
<b>(ii) Current</b>		
Interest Receivable	0.08	0.02
Other Recoverable	0.23	0.03
<b>Total</b>	<b>0.31</b>	<b>0.05</b>

#Security deposits primarily includes deposits given towards rented premises.

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 9: OTHER ASSETS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(Unsecured and considered good, unless otherwise stated)</b>		
<b>(i) Non-Current</b>		
Capital Advances	7.95	10.86
Statutory Dues Paid under Protest	0.52	0.47
<b>Total</b>	<b>8.47</b>	<b>11.33</b>
<b>(ii) Current</b>		
Advance to Suppliers	20.17	4.19
Advances to employees	0.05	0.17
Balance with Revenue authorities	3.45	0.34
Prepaid Expenses	3.42	3.55
Government Grants	2.15	44.84
Other Assets	0.89	2.91
<b>Total</b>	<b>30.13</b>	<b>56.01</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

## Notes to the Consolidated Financial Statements

### NOTE 10: INVENTORIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
(Refer note 2 (vii) for Mode of Valuation)		
Raw materials	43.51	13.06
Work-in-Progress	5.50	5.50
Finished goods	989.77	678.78
Stores & Spare parts	17.81	19.99
Loose Tools	0.05	0.06
<b>Total</b>	<b>1,056.64</b>	<b>717.39</b>

#### Note:

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Inventory pledged/ hypoticated to banks for securing working capital facilities	1,056.64	717.39
Amount of write down of inventories recognized as expenses	-	-

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 11: TRADE RECEIVABLES

(₹ in Crore)

Particulars	As at March 31, 2022#	As at March 31, 2021*
Trade receivable Considered good - Secured	-	-
Trade receivable Considered good - Unsecured (Included Unbilled Revenue ₹ 10.97Crore)	107.57	106.56
Trade receivable which have Significant increase in Credit Risk	-	-
Trade receivable - Credit Impaired	-	-
	<b>107.57</b>	<b>106.56</b>
Less: Allowance for expected credit losses	0.06	-
<b>Total</b>	<b>107.51</b>	<b>106.56</b>

# For related party balances refer note 43

## Notes to the Consolidated Financial Statements

### NOTE 11.1: TRADE RECEIVABLES AGEING

#### Trade Receivables Ageing Schedule as at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following Periods from due date of payments						Total
	Not Due	Less than 6 Month	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed considered good	34.71	60.70	1.19	-	-	-	96.60
Undisputed Trade Receivables– which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed credit impaired	-	-	-	-	-	-	-
Disputed considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Revenue	10.97	-	-	-	-	-	10.97
<b>Sub Total</b>	<b>45.68</b>	<b>60.70</b>	<b>1.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107.57</b>
Less: Allowance for expected credit losses							0.06
<b>Total</b>	<b>45.68</b>	<b>60.70</b>	<b>1.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107.51</b>

Note: Trade Receivables as at March 31, 2021 represents the amount acquired pursuant to Scheme of Arrangement and hence ageing schedule has not been given.

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 12: CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Cash in hand	0.55	0.43
Cheque in Hand	15.58	-
Balances with banks:		
-On Current Account	6.85	13.44
<b>Total</b>	<b>22.98</b>	<b>13.87</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 13: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Deposits held as security or margin against guarantees	1.31	0.29
Deposits earmarked for Molasses Storage Fund	0.72	0.52
<b>Total</b>	<b>2.03</b>	<b>0.81</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)



# Notes to the Consolidated Financial Statements

## NOTE 14: LOANS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(Loans receivables - Considered Good - Unsecured)</b>		
- to related parties	-	-
- to Others	2.35	5.88
<b>Total</b>	<b>2.35</b>	<b>5.88</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

## NOTE 15: SHARE CAPITAL

(₹ in Crore)

a. Authorised Share Capital	No. of Shares	₹ in Crore
Equity Shares of ₹10/- each		
<b>As at October 6, 2020</b>	100000	0.10
Transfer of Authorised Shared Capital Pursuant to Scheme of Arrangement	91500000	91.50
<b>As at March 31, 2021*</b>	<b>91600000</b>	<b>91.60</b>
Changes During the year	-	-
<b>As at March 31, 2022</b>	<b>91600000</b>	<b>91.60</b>
<b>b. Issued, subscribed &amp; fully paid up/Share Capital Suspense Account:</b>	<b>No. of Shares</b>	<b>₹ in Crore</b>
<b>Equity Shares</b>		
<b>As at October 6, 2020</b>	100000	0.10
Add: Addition Pursuant to Scheme of Arrangement	66387590	66.39
Less: Shares cancelled pursuant to the Scheme of Arrangement	(1,00,000)	(0.10)
<b>As at March 31, 2021*</b>	<b>66387590</b>	<b>66.39</b>
Changes during the year	-	-
<b>As at March 31, 2022</b>	<b>66387590</b>	<b>66.39</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### c. Terms and rights attached to Equity Shares

The Company has a single class of equity shares having face value of ₹10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of share on which any call or other sums presently payable have not been paid.

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

### d. Shares held by the Holding Company, Details of Shareholding (more than 5% Equity Shares and promoters share holders)

The Scheme of demerger has been effective from May 3, 2022 and as per terms of scheme, one equity share of ₹ 10 each is to be allotted to the existing share holders of Dhampur Sugar Mills Limited (DSML) as on the record date fixed for entitlement, against one share held by them in DSML. The Company has allotted 6,63,87,590 equity shares on May 23, 2022. The disclosure of promoter shareholding and share holder having 5% or more shareholding in the company is being disclosed based on the allotment made on May 23, 2022. Prior to that the entire paid up share capital of the company of ₹ 100,000 being divided into 10,000 equity share of ₹ 10/- each is being held by DSM w.e.f. March 31, 2021. These equity shares will stand cancelled as per terms of the scheme of demerger on the allotment of new equity shares.

## Notes to the Consolidated Financial Statements

### e. Shareholders holding more than 5% of the Equity shares in the company as per allotment made on May 23, 2022

Name of Equity Shareholders	No. of Shares	% holding
<b>Equity shares of ₹ 10 each fully paid-up</b>		
Goel Investments Limited	10655515	16.05%
Shudh Edible Products Private Limited	4299680	6.48%
Sonitron Limited	4940716	7.44%
Gautam Goel	4242339	6.39%
Anil Kumar Goel	6000000	9.04%

### f. Shareholding of Promoters as per allotment made on May 23, 2022

Promoter Name	No. of Shares	% of total shares
Vijay Kumar Goel	349116	0.53%
Ashok Kumar Goel	55384	0.08%
Gautam Goel	4242339	6.39%
Gaurav Goel	2016904	3.04%
Deepa Goel	2341936	3.53%
Bindu Vashist Goel	76350	0.12%
Ishira Goel	105525	0.16%
Vinita Goel	25050	0.04%
Shefali Poddar	31760	0.05%
Ritu Sanghi	7500	0.01%
Aparna Jalan	46100	0.07%
Asha Kumari Swaroop	4	0.00%
Goel Investments Limited	10655515	16.05%
Saraswati Properties Limited	3266758	4.92%
Shudh Edible Products Private Limited	4299680	6.48%
Sonitron Limited	4940716	7.44%
Ujjwal Rural Services Limited	125000	0.19%

### g. Aggregate number and class of shares bought back:

The Company has not bought back shares in the last five years immediately preceding the balance sheet date.

h. No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years as at the date of balance sheet. However 6,63,87,590 Equity shares have been allotted on May 23, 2022 in terms of Scheme of Arrangement (Refer Note 42) without payment received in cash.

## NOTE 16: OTHER EQUITY

### A. Reserve and Surplus

#### (i) Capital Reserve

Particulars	(₹ in Crore)	
	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	708.41	-
Add: Addition Pursuant to Scheme of Arrangement (refer note 42)	-	708.41
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
<b>Closing Balance</b>	<b>708.41</b>	<b>708.41</b>

## Notes to the Consolidated Financial Statements

### (ii) Storage fund/reserve for molasses

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	-	-
Add: Transferred from retained earnings	0.17	-
Add: Molasses fund created during the year	0.18	-
<b>Closing Balance</b>	<b>0.35</b>	-

### (iii) Retained Earnings

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	(0.01)	-
Add: Addition Pursuant to Scheme of Arrangement (refer note 42)	-	-
Add: Net Profit/(Loss) for the period	101.89	(0.01)
Add: Transferred from FVOCI Equity Investments	(0.15)	-
Less: Transfer to Molasses Storage Reserve fund	0.17	-
<b>Closing Balance</b>	<b>101.56</b>	<b>(0.01)</b>

## B. Other Comprehensive Income

### (i) Remeasurement of post employment benefit obligation

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	-	-
Add: Addition during the year	0.09	-
Less: Utilised during the year	-	-
<b>Closing Balance</b>	<b>0.09</b>	-

### (ii) FVOCI Equity Reserve

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Opening Balance</b>	(0.14)	-
Add: Addition Pursuant to Scheme of Arrangement (refer note 42)	-	(0.14)
Add: Addition during the year	(0.01)	-
Less: Transferred to Retained Earnings	0.15	-
<b>Closing Balance</b>	<b>-</b>	<b>(0.14)</b>

## Notes to the Consolidated Financial Statements

### (iii) Foreign currency translation reserve

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Opening Balance</b>	0.30	-
Add: Addition Pursuant to Scheme of Arrangement (refer note 42)	-	0.30
Add: Addition during the year	0.35	-
<b>Closing Balance</b>	<b>0.65</b>	<b>0.30</b>
<b>Total Other Equity (A+B)</b>	<b>811.06</b>	<b>708.56</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 16.1 : NATURE AND PURPOSE OF RESERVES

#### (i) Capital Reserve

Capital reserve was created on transfer of demerged undertakings to the Company under the Scheme of Demerger.

#### (ii) Storage fund/reserve for molasses

The storage fund for molasses has been created to meet the cost of construction and maintenance of molasses storage tank as required under Uttar Pradesh Sheera Niyamtran (Sansodhan) Adesh, 1974.

#### (iii) Retained Earnings

Retained earnings represents the undistributed profit / amount of accumulated earnings of the Company

#### (iv) Other Comprehensive Income

Other comprehensive income (OCI) represents the balance in equity relating to re-measurement gain/(loss) of defined benefit obligation and gain or loss on non-current equity investments.

#### (v) FVOCI equity investment

The Group has elected to recognise changes in fair value of certain investments in equity securities through OCI as Other Reserves. The Group transfers amount from this reserves to retained earnings when the relevant investment is sold and realised.

#### (vi) Foreign currency translation reserve

Exchange difference 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.

## Notes to the Consolidated Financial Statements

### NOTE 17: FINANCIAL LIABILITIES - BORROWINGS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(i) Non-Current</b>		
<b>Secured Term Loans</b>		
Rupee Loan From banks **	109.94	102.79
Less: Ind AS Adjustment	5.11	3.60
<b>Total</b>	<b>104.83</b>	<b>99.19</b>
<b>(ii) Current</b>		
<b>Secured</b>		
Loan Payable on demands		
- Working Capital Loans from Banks (Cash credit)	664.00	270.47
Current maturities of long term borrowings **	58.46	28.85
Less: Ind AS Adjustments	4.50	3.47
<b>Total</b>	<b>717.96</b>	<b>295.85</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

\*\* Refer note 45 for security and repayment terms

### NOTE 18: LEASE LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(i) Non-Current</b>		
Lease Liabilities	3.96	5.73
<b>Total</b>	<b>3.96</b>	<b>5.73</b>
<b>(ii) Current</b>		
Lease Liabilities	1.90	2.07
<b>Total</b>	<b>1.90</b>	<b>2.07</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 19: TRADE PAYABLES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Due to Micro and Small Enterprises	3.40	0.28
Other than Micro and Small Enterprises	157.40	294.94
Unbilled Expenses	7.87	2.65
<b>Total</b>	<b>168.67</b>	<b>297.87</b>

## Notes to the Consolidated Financial Statements

### NOTE 19.1: TRADE PAYABLES AGEING SCHEDULE

#### Trade Payables Ageing Schedule as at March 31, 2022

(₹ in Crore)

Particulars	Outstanding for following Periods from due date of payments					Total
	Not Due/ Hold	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	
MSME	-	3.40	-	-	-	3.40
Other	-	156.56	0.77	0.07	-	157.40
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Other	-	-	-	-	-	-
Unbilled Dues	7.87	-	-	-	-	7.87
<b>Total</b>	<b>7.87</b>	<b>159.96</b>	<b>0.77</b>	<b>0.07</b>	<b>-</b>	<b>168.67</b>

Note: Trade payable as at March 31, 2021 represents the amount acquired pursuant to Scheme of Arrangement and hence ageing schedule has not been given.

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 20: OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Interest Accrued on MSME	0.24	0.24
Employee Benefits Payable	10.19	8.14
Security Deposits	2.09	3.12
Capex Vendors	12.98	-
Other Payables	8.26	0.26
Retention Money Payable	3.12	0.98
<b>Total</b>	<b>36.97</b>	<b>12.74</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 21: PROVISIONS

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(i) Non-Current</b>		
<b>Provision for Employee Benefits</b>		
Gratuity	17.53	17.36
<b>Total</b>	<b>17.53</b>	<b>17.36</b>
<b>(ii) Current</b>		
<b>Provision for Employee Benefits</b>		
Gratuity	2.38	1.15
<b>Total</b>	<b>2.38</b>	<b>1.15</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)



## Notes to the Consolidated Financial Statements

### NOTE 22: OTHER LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>(i) Non-Current</b>		
Deferred Govt. Grants	5.76	5.45
<b>Total</b>	<b>5.76</b>	<b>5.45</b>
<b>(ii) Current</b>		
Deferred Govt. Grants	4.74	3.62
Advance from customers	17.88	1.40
Statutory dues payable	5.23	3.03
<b>Total</b>	<b>27.85</b>	<b>8.05</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 23: CURRENT TAX LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Current Tax Payable	23.29	
Less : Prepaid Taxes	22.56	-
<b>Total</b>	<b>0.73</b>	<b>-</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 24: DEFERRED TAX LIABILITY

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Deferred Tax Asset :</b>		
On account of temporary differences on allowability of expenses for tax purposes	6.72	5.39
MAT Credit Entitlement	49.45	63.71
<b>Total Deferred Tax Assets (A)</b>	<b>56.17</b>	<b>69.10</b>
<b>Deferred Tax Liability :</b>		
On account of property, plant & equipments (other than land)	86.96	94.49
On account of difference in the tax base value and carrying amount of land	3.76	5.34
<b>Total Deferred Tax Liability (B)</b>	<b>90.72</b>	<b>99.83</b>
<b>Deferred Tax Liability/(Asset) - Net (B-A)</b>	<b>34.55</b>	<b>30.73</b>

## Notes to the Consolidated Financial Statements

### NOTE 24.1: MOVEMENT IN DEFERRED TAX LIABILITIES/ (ASSETS)

(₹ in Crore)

Particulars	Deferred Tax Assets			Deferred Tax Liabilities		Total
	Employee retirement benefits	MAT credit entitlement	Allowability of expenses	Property, plant & equipments	Land	
<b>At March 31, 2021*</b>	-	(63.71)	(5.39)	94.49	5.34	30.73
Recognized in profit or loss	(0.07)	14.26	(1.29)	(7.53)	(1.58)	3.79
Recognized in OCI	0.03	-	-	-	-	0.03
<b>At March 31, 2022</b>	<b>(0.04)</b>	<b>(49.45)</b>	<b>(6.68)</b>	<b>86.96</b>	<b>3.76</b>	<b>34.55</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### NOTE 25: REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Revenue from Operations*</b>		
Manufactured Goods	1,518.77	-
Traded Goods	8.09	-
<b>Other Operating Revenue</b>		
Scrap Sales	3.30	-
Government Grant	9.90	-
Others	0.84	-
<b>Total</b>	<b>1,540.90</b>	<b>-</b>

\*Refer Note 41

### NOTE 26: OTHER INCOMES

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Interest Income</b>		
- from banks and others	0.44	-
- from financial assets carried at amortized cost	0.08	-
Income from Rent	2.49	-
Profit on sale of Property, Plant & Equipments	1.86	-
Balances/ Provision No longer required written back	0.22	-
Foreign Exchange gain	0.04	-
Miscellaneous Income	2.56	-
<b>Total</b>	<b>7.69</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

### NOTE 27: COST OF RAW MATERIAL CONSUMED

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Cost of material consumed</b>		
- Sugar cane	1,416.41	-
- Molasses	11.02	-
- Bagasse and other fuel	7.05	-
- Chemicals and others	0.19	-
<b>Total</b>	<b>1,434.67</b>	<b>-</b>

### NOTE 28: PURCHASE OF STOCK-IN-TRADE

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Cane Development Product	7.91	-
<b>Total</b>	<b>7.91</b>	<b>-</b>

### NOTE 29: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Closing Stock: :</b>		
Finished stock	989.77	-
Work-in-Progress	5.50	-
<b>Total (A)</b>	<b>995.27</b>	<b>-</b>
<b>Less: Inventories acquired pursuant to Scheme :</b>		
Finished stock	678.78	-
Work-in-Progress	5.50	-
<b>Total (B)</b>	<b>684.28</b>	<b>-</b>
<b>(Increase)/ Decrease in Inventories (B-A)</b>	<b>(310.99)</b>	<b>-</b>

### NOTE 30: EMPLOYEES BENEFITS EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Salaries and wages	65.91	-
Contribution to Provident & other funds	5.60	-
Gratuity	1.28	-
Voluntary retirement compensation	0.28	-
Workmen & staff welfare expenses	0.56	-
<b>Total</b>	<b>73.63</b>	<b>-</b>

### NOTE 31: DEPRECIATION AND AMORTIZATION

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Depreciation of Property, Plant and Equipment	28.60	-
Depreciation of Right-of-Use Assets	2.69	-
<b>Total</b>	<b>31.29</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

### NOTE 32: FINANCE COSTS

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Interest expenses on financial liabilities measured at amortize cost	29.57	-
Interest on Lease Liability	0.60	-
Other borrowing cost	0.27	-
Interest on Gratuity Liability (Net)	1.26	-
	<b>31.70</b>	<b>-</b>
Less : Interest capitalized during the year	1.57	-
<b>Total</b>	<b>30.13</b>	<b>-</b>

### NOTE 33: OTHER EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Consumption of stores, spares & other manufacturing expenses	33.24	-
Cane development expenses	3.18	-
Consumption of Packing material	21.00	-
Power and fuel	3.11	-
Repair & Maintenance :		
- Plant & machinery	35.93	-
- Building	1.57	-
- Others	2.67	-
Short Term lease/Low value item lease expenses	1.42	-
Rates and taxes	2.21	0.01
Insurance	3.10	-
Transfer to storage fund for molasses	0.18	-
Consultancy/Retainship/Professional Fees	3.48	-
Selling Expenses :		
- Commission to selling agents	2.87	-
- Other selling expenses	17.08	-
Demerger Expenses	3.00	-
Travelling & Conveyance	4.83	-
Security Services	3.08	-
Miscellaneous expenses	9.21	-
Charity and donations	0.09	-
Staff Welfare	0.28	-
Balance written-off	0.89	-
Allowance for Expected Credit Loss	0.06	-
Payment to Statutory Auditors	0.26	#
Loss on sale of Property, Plant & Equipment	0.19	-
Foreign exchange difference (net)	0.05	-
<b>Total</b>	<b>152.98</b>	<b>0.01</b>

#In previous year amount for Audit Fees is ₹ 11,800 /-

## Notes to the Consolidated Financial Statements

### NOTE 34: TAX EXPENSE

#### (a) Income Tax Expenses

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Current Tax	23.29	-
Deferred Tax	3.79	-
<b>Total</b>	<b>27.08</b>	<b>-</b>

#### (b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
Profit for the year (before income tax expense)	128.97	(0.01)
Add: Losses of subsidiary on which deferred tax not recognised	4.34	-
<b>Net Profit for tax purpose</b>	<b>133.31</b>	<b>(0.01)</b>
Applicable tax rate	29.12%	-
<b>Computed tax expenses</b>	<b>38.82</b>	<b>-</b>
<b>Adjustments :</b>		
Expenses not allowed for tax purposes	0.07	-
Deferred tax on non-depreciable assests (Net)	(1.58)	-
Adjustment on account of reworking of opening DTA/DTL based on Assets & Liabilities transferred and DTL transferred pursuant to Scheme	(10.21)	-
<b>Current Income Tax</b>	<b>27.10</b>	<b>-</b>
<b>Tax Expenses recognized in Statement of Profit and Loss</b>	<b>27.10</b>	<b>-</b>
<b>Effective Tax Rate</b>	<b>20.33%</b>	<b>0.00%</b>

### NOTE 35: OTHER COMPREHENSIVE INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>(i) Items that will not be reclassified to profit or loss</b>		
FVOCI Equity Instruments	(0.01)	-
Acturial gain/loss on employees benefits	0.12	-
(a) Tax on above	(0.03)	-
<b>(ii) Items that will be reclassified to profit or loss</b>		
Cash Flow Hedge	-	-
Foreign Currency Translation reserve	0.35	-
<b>Total</b>	<b>0.43</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

### NOTE 36: EARNINGS PER SHARE (EPS)

(₹ in Crore)

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
<b>Basic Earnings per share</b>		
a) Profit attributable to equity shareholders (₹ in Crore)	101.89	(0.01)
b) Weighted average number of equity shares outstanding (Absolute no.)	66387590	4301
c) Nominal value per share (in ₹)	10.00	10.00
d) Earnings per share (in ₹)	15.35	(23.25)

### NOTE 37: CONTINGENT LIABILITIES AND COMMITMENTS

#### I. Contingent Liabilities (not provided for in respect of):

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>i) Demands being disputed by the Holding Company : **</b>		
a) Excise duty and Service Tax demands	1.58	1.58
b) Trade Tax and Entry Tax demands	0.91	0.91
c) Stamp Duty demands	18.01	18.01
d) Other demands	0.89	0.89
e) Estimated amount of interest on above	16.54	15.33
<b>ii) Claims against the Holding Company not acknowledged as debts :</b>		
a) Other liabilities	-	-
b) In respect of some pending cases of employees and others#	Amount not ascertainable	Amount not ascertainable

\*Presented pursuant to the Ind AS 103 (Refer note 42)

\*\* Transferred to the Holding Company pursuant to Scheme of Arrangement (Refer Note 42)

# 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 Commitments

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Estimated amount of contracts remaining to be executed on capital account and not provided for	34.40	66.80

\*Presented pursuant to the Ind AS 103 (Refer note 42)



## Notes to the Consolidated Financial Statements

### III. Legal Cases

- 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 for adjudication. Based on the legal review of the facts of the case and considering past practice, no liability is likely to crystallise on the Holding Company in this matter.
- 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. Holding Company was the beneficiary of such waiver. The matter is yet to be finalised and pending before Supreme Court for adjudication. Based on the legal review of the facts of the case and considering past practice, no liability is likely to crystallise on the Holding Company in this matter.

### NOTE 38: REVENUE

- i) The disclosures pertaining to disaggregation of revenue and performance obligation in terms of Ind AS 115 - Revenue from contracts with customers are as follows:

#### (a) Sugar

The Sugar segment of the Holding Company principally generates revenue from manufacturing and sale of sugar and its by-products. Domestic sales of sugar is made on ex-factory terms/agreed terms to wholesale /institutional buyers/merchant exporters within the country. Domestic sugar sales is majorly done on advance payment terms.

Export sales of sugar to merchant exporters are done on ex-factory /delivered basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyers' specific location (as per agreed terms). The sale price and payment terms is fixed as per contracted terms.

Bagasse and pressmud are sold generally on advance payment terms to customers on ex-factory basis in terms of the agreement and revenue is recognised when the goods have been shipped to/delivered to the buyer.

#### (b) Renewable Energy

The Renewable Energy segment of the Holding Company principally generates revenue from sale of power to distribution companies.

Power is supplied to distribution companies from the Holding Company's facilities in accordance with the sale price, payment terms and other conditions as per the Power Purchase Agreements ("PPA").

#### (c) Bio Fuels & Spirits

The Bio Fuels & Spirits segment of the Holding Company principally generates revenue from sale of industrial alcohol which mainly constitutes ethanol sold under contracts with Public and Private Oil Marketing Companies ("OMCs") and other products to institutional buyers.

For sale of ethanol under contracts with OMCs, sale price is pre-determined based on Expression of Interest ("EOI")/ Tender floated from OMCs. The prices are on delivered cost basis at OMC's locations inclusive of all duties/levies/taxes/charges etc. Payment terms is within 45 days after delivery of material and submission of original invoices.

Other products like Rectified Spirit, ENA, SDS etc. are sold on bulk basis to institutional buyers on ex-factory basis as per agreed terms. Revenue is recognised when goods have been shipped to the buyers' specific location as per agreed terms. The payment terms are fixed as per Holding Company's credit policy which is up-to 45 days.

- ii) Disaggregated revenue information have been given along with segment information.

## Notes to the Consolidated Financial Statements

### NOTE 39: LEASES

Following are the changes in the carrying value of other right of use assets for the year ended March 31, 2022:

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Consolidated statement of Profit and Loss.

#### A. Right-of-Use Assets

(₹ in Crore)

Particulars	Premises	
	As at March 31, 2022	As at March 31, 2021*
<b>Opening Balance</b>	9.12	-
Addition Pursuant to Scheme of Arrangement (Refer note 42)	-	9.12
Additions during the year	-	-
Deletions during the year	0.61	-
Depreciation during the year	2.08	-
<b>Closing Balance</b>	<b>6.43</b>	<b>9.12</b>

#### B. The following is the movement in long term lease liabilities during the year

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
<b>Balance at the beginning</b>	7.80	-
Addition Pursuant to Scheme of Arrangement (Refer note 42)	-	7.80
Finance cost accrued during the year	1.26	-
Payment of lease liabilities	(3.20)	-
<b>Balance at the end</b>	<b>5.86</b>	<b>7.80</b>

#### C. Following is the break-up of current and non-current lease liabilities as at March 31, 2022

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Lease Liabilities- Non Current	3.96	5.73
Lease Liabilities- Current	1.90	2.07
<b>Total</b>	<b>5.86</b>	<b>7.80</b>

#### D. Contractual maturities of lease liabilities on an undiscounted basis:

The weighted average incremental borrowing rate applied is 8.60%

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Less than one year	2.40	3.20
One to five years	4.20	6.60
More than five years	-	-
<b>Total</b>	<b>6.60</b>	<b>9.80</b>

\*Presented pursuant to the Ind AS 103 (Refer note 42)

Rental expenses recorded for short term lease are ₹1.42 Crore for the year ended March 31, 2022

## Notes to the Consolidated Financial Statements

### NOTE 40: GOVERNMENT GRANT

The Holding Company is eligible to receive various grants/ financial assistance as per the schemes announced by Central and UP State Government for Sugar Industry. The Holding Company has recognized these Government grants in the following manners:

(₹ in Crore)		
Particulars	Treatment in Accounts	For the year ended March 31, 2022
<b>1. Revenue related Government grants:</b>		
i) MAEQ Subsidy 2020-21 from Central Government (Refer footnote a)	Shown as separate line items " Government grant" under other operating income	9.85
ii) Interest subvention claim under Distillery Expansion Loan (Refer note b)	Deducted from finance cost	0.37
iii) Interest subvention claim under Distillery Expansion Loan (Refer note b)	Capitalised in Capital Work In Progress	1.57
<b>2. Deferred Government grants:</b>		
i) Deferred income relating to term loans on concessional rate from Sugar Development Fund	Deducted from finance cost	0.22
ii) Deferred income relating to term loans on concessional rate (Refer note c)	Deducted from finance cost	3.40

- a) The Central Government vide its notification 1(6)/2020-S.P.-I dated December 29, 2020, announced Scheme for Assistance to Sugar mills for the sugar season 2020-21 (Scheme) for expenses on marketing cost including handling, upgrading and other processing costs and cost of international and internal transport and freight charges on export of sugars under Maximum Admissible Export Quantity (MAEQ) Scheme. Every sugar mill which fulfil the conditions as stipulated in the Scheme will be eligible for assistance @ ₹ 6000 per MT on export of sugar limited to MAEQ. Till March 31, 2022, the Holding Company has complied with all the conditions as stated in the scheme and submitted the claim and total Subsidy accrued under the scheme has been received by the Holding Company.
- b) 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 existing 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 fulfil 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.

Till March 31, 2022, the Holding Company has complied with all the conditions as stated in the scheme and submitted the claim for interest subvention. The interest subvention accrued under the Scheme till March 31, 2022 is ₹ 3.09 Crore and out of which 1.04 Crore has been received till March, 2022.

- c) 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 Holding 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.

## Notes to the Consolidated Financial Statements

### NOTE 41: SEGMENT REPORTING

#### I) 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 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.

#### II) Operating Segments

The Group is organized into three main business segments, namely:

- Sugar which consists of manufacture and sale of Sugar and its byproducts and,
- Bio Fuels & Spirits which consists of manufacture and sale of RS, SDS, ENA, Ethanol, sanitizer etc.
- Renewable Energy which consists of co-generation and sale of power
- Others which consists of trading business of subsidiary company

No operating segments have been aggregated in arriving at the aforesaid reportable segments of the Group.

#### III) 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.

#### IV) 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.

## Notes to the Consolidated Financial Statements

### A. Summary of Segmental Information For the Year Ended March 31, 2022

(₹ in Crore)

Particulars	Sugar	Bio Fuel & Spirits	Renewable Energy	Others	Adjustments / Elimination	Total
<b>i. Segment Revenue</b>						
a) External Sales	1,223.72	258.00	45.14	-	-	1,526.86
b) Inter Segment Sales	257.61	1.35	153.44	-	(412.40)	-
c) Other Operating Revenue	13.62	-	0.42	-	-	14.04
<b>Revenue from operation (a+b+c)</b>	<b>1,494.95</b>	<b>259.35</b>	<b>199.00</b>	<b>-</b>	<b>(412.40)</b>	<b>1,540.90</b>

(₹ in Crore)

Particulars	Sugar	Bio Fuel & Spirits	Renewable Energy	Others	Unallocable	Total
<b>ii. Segment Results</b>						
Profit/(loss) before exceptional items, Tax and Interest from each segment	50.42	63.04	60.10	(3.70)	-	169.86
Less/ Add :Other Unallocable Expense/ Income net off Unallocable Income/ Expenses	-	-	-	-	10.76	10.76
Less : Finance costs						30.13
<b>Net/(loss) Profit before Tax</b>	<b>50.42</b>	<b>63.04</b>	<b>60.10</b>	<b>(3.70)</b>	<b>10.76</b>	<b>128.97</b>
Less: Tax expense (Net)					-	27.08
Net Profit/(loss) after Tax	50.42	63.04	60.10	(3.70)	10.76	101.89
<b>iii). Other Information</b>						
a) Segment Assets	1,424.77	227.60	311.06	7.38	29.73	2,000.54
<b>Total Assets</b>	<b>1,424.77</b>	<b>227.60</b>	<b>311.06</b>		<b>29.73</b>	<b>2,000.54</b>
b) Segment Liabilities	205.63	31.65	21.66	0.13	856.48	1,115.55
<b>Total Liabilities</b>	<b>205.63</b>	<b>31.65</b>	<b>21.66</b>	<b>0.13</b>	<b>856.48</b>	<b>1,115.55</b>
c) Capital Expenditure	44.52	72.81	61.47	-	-	178.80
d) Depreciation	17.58	5.42	7.79	0.50	-	31.29
e) Non Cash Expenditure other than Depreciation	0.81	0.01	0.17	0.15	0.01	1.15

### B. Geographical information : Segment Revenue & Non Current Assets by location

(₹ in Crore)

Particulars	Period	India	Outside India	Total
External Revenue	2021-22	1490.58	36.28	1,526.86
Non Current Assets (other than financial assets)*	31-Mar-22	776.87	-	776.87

\*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, 2022 - NIL

## Notes to the Consolidated Financial Statements

- D. In the following table, revenue is disaggregated by geographical market, major products/service lines and timing of revenue recognition which also includes a reconciliation of the disaggregated revenue with the Company's three strategic divisions, which are its reportable segments.

Particulars	Sugar	Renewable Energy	Bio Fuel & Spirits	Total
<b>Geographical markets</b>				
Within India	1187.17	45.15	258.26	1,490.58
Outside India	36.28	-	-	36.28
<b>Total</b>	<b>1,223.45</b>	<b>45.15</b>	<b>258.26</b>	<b>1,526.86</b>
<b>Major Product</b>				
Sugar	1,165.72	-	-	1,165.72
Industrial Alcohol	-	-	258.26	258.26
Power		45.15		45.15
Others	57.73			57.73
<b>Total</b>	<b>1,223.45</b>	<b>45.15</b>	<b>258.26</b>	<b>1,526.86</b>
<b>Timing of Revenue Recognition</b>				
Products transferred at a point in time	1,223.45	45.15	258.26	1,526.86
Products transferred over time	-	-	-	-
<b>Total</b>	<b>1,223.45</b>	<b>45.15</b>	<b>258.26</b>	<b>1,526.86</b>

### NOTE 42: ACCOUNTING, DISCLOSURES AND PARTICULARS OF SCHEME OF ARRANGEMENT

#### 42.1 ARRANGEMENT OF DHAMPUR SUGAR MILLS LIMITED (DSML), DHAMPUR BIO ORGANICS LIMITED (DBOL) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

##### A Description of Scheme of Arrangement

Subsequent to the year end, Allahabad Bench of the NCLT, through its order dated April 27, 2022 (the "Order"), has approved the Scheme of Arrangement ("the Scheme") between Dhampur Sugar Mills Limited ("Demerged Company") and Dhampur Bio Organics Limited ("Resulting Company"/"The Company") and their respective shareholders and creditors. The scheme has been approved by Board of Directors of both the Companies on June 7, 2021 for Demerger of manufacturing units of Sugar, chemicals and co-generation of the Demerged company situated at Asmoli, District Sambhal, Mansurpur, district Muzaffarnagar and Meerganj, district Bareilly (Collectively referred to as "Demerged Undertakings") from Demerged Company alongwith investment in equity shares of wholly owned subsidiary (Dhampur International PTE Limited) of Demerged Company into Resulting Company with effect from Appointed Date i.e. April 01, 2021. The Holding Company has filed certified true copy of the Order with the Ministry of Corporate Affairs (the "MCA") on May 3, 2022 and thereby the scheme becomes effective. The Holding company had not made investments in subsidiary/associates up to period ended March 31, 2021 and accordingly requirement for preparation of Consolidated Financial Statement was not applicable. During the year, pursuant to the scheme, Dhampur International PTE Ltd, Singapore, a wholly owned subsidiary of demerged Company was transferred to the Company.

The Holding Company has given effect to the Scheme for the year ended March 31, 2022 considering it to be an adjusting event and has accounted the same as per the pooling of interest method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met. The Company came under common control on March 31, 2021 and hence the comparative numbers have to be presented for the period of March 31, 2021. However it is not practically possible to arrive at Consolidated Financial Results for the period of one day i.e. March 31 2021, therefore, in order to present the actual scale of consolidated operations for the financial year ended March 31, 2021, the management has presented the Consolidated Financial Information for the period of Twelve months ended March 31, 2021 as additional disclosure and not restated the statement of profit and loss account for the year ended March 31, 2021. The said Consolidated Financial Information for twelve months periods of the Financial Year 2020-21 have been extracted from the disclosure in the financial Information, for the year ended March 31, 2021, which has not been separately subject to audit or review and has been presented as 'Unaudited' Supplementary Information herein after.



## Notes to the Consolidated Financial Statements

The Company has given effect to the Scheme for the year ended March 31, 2022 considering it to be an adjusting event and has accounted the same as per the pooling of interest method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met. The Company came under common control on March 31, 2021 and hence the comparative numbers have to be restated for the period of March 31, 2021. However it is not practically possible to arrive at Financial Results of Demerged Undertakings for the period one day i.e. March 31 2021, therefore, in order to present the actual scale of operations of the Demerged Undertakings for the financial year ended March 31, 2021, the management has presented the Financial Information of the Demerged Undertakings for the period of Twelve months ended March 31, 2021 as additional disclosure and not restated the statement of profit and loss account for the year ended March 31, 2021. The said Financial Information for twelve months periods of the Financial Year 2020-21 have been extracted from the disclosure in the financial Information of the Demerged Company, for the year ended March 31, 2021, which has not been separately subject to audit or review and has been presented as 'Unaudited' Supplementary Information herein after.

As per the share swap ratio approved in the Order, the Company is in the process of issuing equity shares of ₹10 each in the ratio of 1:1 to the shareholders of Demerged Company. Further, as per the Order, the existing Issued Share Capital of ₹ 100,000 consisting of 10,000 shares of ₹ 10 each held by Demerged Company shall stands cancelled on allotment of Equity shares under share as swap ratio.

As per the order, Authorised Share capital representing 9,15,00,000 equity shares of ₹10 each of the Demerged Company will be transferred to the Resulting Company. Accordingly, upon the scheme becoming effective, the authorised share capital of the Resulting Company shall stand increased to ₹91,60,00,000 divided into 9,16,00,000 equity shares having face value of ₹10 each.

The assets and liabilities, transferred to and vested in the Resulting Company pursuant to the Composite Scheme are recorded at their respective carrying values as appearing in the books of Demerged Company.

The Share capital account has been credited with the aggregate face value of the shares to be issued to the Shareholders pursuant to the Scheme and the difference has been accounted in the appropriate reserves within "Other Equity".

### B The Impact of the Demerger on these Consolidated Financial Statements is as under:

Particulars	(₹ in Crore)		
	Net Assets/ (Liability) acquired (reserves)	Value of Equity shares Issued	Other Equity
Demerger of Demerged Undertakings from Demerged Company to the Resulting Company alongwith investments in equity shares of Dhampur International PTE Ltd.	774.95	66.39	708.56

## Notes to the Consolidated Financial Statements

### C Statement of Profit and Loss

Followings are the additional disclosure of Consolidated Financial Informations for the year ended March 31, 2021 as stated herein above.

Particulars	For the year ended March 31, 2021
<b>Income</b>	
I. Revenue from Operations	2,156.70
II. Other Income	5.40
<b>III. Total Income (I+II)</b>	<b>2,162.10</b>
<b>IV. Expenses</b>	
(a) Cost of materials consumed	1,446.93
(b) Excise duty on sale of goods	-
(b) Purchase of Stock-in-Trade	91.65
(c) Change in Inventory	243.58
(d) Employees benefits expenses	68.11
(e) Depreciation and Amortisation	27.16
(f) Finance costs	40.87
(g) Other Expenses	133.71
<b>Total Expenses</b>	<b>2,052.00</b>
<b>V. Profit Before Exceptional Items and Tax (III-IV)</b>	<b>110.10</b>
VI. Exceptional Items	-
<b>VII. Profit Before Tax (V-VI)</b>	<b>110.10</b>
<b>VIII. Tax Expense</b>	
(a) Current Tax	18.58
(b) Deferred Tax	14.86
<b>IX. Profit for the year (VII-VIII)</b>	<b>76.66</b>
<b>X. Other Comprehensive Income</b>	
A (i) Items that will not be reclassified to profit or loss	-
- Remeasurement benefits (losses) on defined benefit obligation	-
- Gain (loss) on fair value of equity investments	0.95
(ii) Tax on above	(0.33)
B (i) Items that will be reclassified to profit or loss	0.02
Other Comprehensive Income to be transferred to Other Equity for the year	0.64
<b>XI. Total Comprehensive Income for the year (IX+X)</b>	<b>77.29</b>

## Notes to the Consolidated Financial Statements

### NOTE 43: RELATED PARTY DISCLOSURES

Information on related party transactions pursuant to Ind AS 24 -

#### A. List of Related Parties with whom transactions have taken place and relationships as on March 31, 2022

i. Holding company	Dhampur Sugar Mills Ltd (Till the date of cancellation of existing shareholding as per scheme of Arrangement)
ii. Directors and Key Management Personnel (KMP)	1 Mr. Vijay Kumar Goel, Director 2 Mr. Ashok Kumar Goel, Director 3 Mr. Gaurav Goel, Director 4 Mr. Gautam Goel, Director 5 Mr. Mukul Sharma, Director 6 Mr. Nalin Kumar Gupta, Director
iii. Directors of Dhampur International PTE Limited	1 Mr. Gautam Goel, Director 2 Mr. Brijesh Pande, Director
iv. Relative's of Directors and Key Management Personnel (KMP) (with whom transactions entered into)	1 Mr. Sanjay Gupta, Brother of Director 2 Mrs. Bindu Vashist, Wife of Directors
v. Enterprises which have significant influence and also owned or significantly influenced by directors/Key Management Personnel or their relatives	1 Shudh Edible Products Private Limited 2 Academy of Modern Learning Turst 3 J.P & Sons

#### B. Disclosure of transactions between the Group and Related Parties and the status of outstanding balances as on March 31, 2022

		(₹ in Crore)
S. No.	Particulars	For the year ended March 31, 2022
<b>1</b>	<b>Loan Taken</b>	<b>0.05</b>
	Dhampur Sugar Mills Limited	0.05
<b>2</b>	<b>Rent Received</b>	<b>2.40</b>
	Dhampur Sugar Mills Limited	2.40
<b>3</b>	<b>Rent Paid</b>	<b>2.40</b>
	Shudh Edible Products Private Limited	2.40
<b>4</b>	<b>Remuneration to Directors, KMP and their Relatives</b>	<b>2.16</b>
	Mr. Nalin Kumar Gupta	0.40
	Mr. Mukul Sharma	0.35
	Mr. Gautam Goel	0.93
	Relative of KMP	0.47
<b>5</b>	<b>Expenses paid During the year</b>	<b>8.54</b>
	J.P & Sons	8.50
	Academy of Modern Learning Trust	0.04
	<b>Amount due to/ from Related Parties:</b>	
<b>1</b>	<b>Payables</b>	<b>4.06</b>
	Shudh Edible Products Private Limited	0.06
	J.P & Sons	3.33
	Vijay Kumar Goel	0.21
	Gautam Goel	0.44
	Sandeep Sharma	0.02
	Nalin Kumar Gupta	#
<b>2</b>	<b>Security Deposits Receivables</b>	<b>1.20</b>
	Shudh Edible Products Private Limited	1.20

## Notes to the Consolidated Financial Statements

The details of remuneration paid to Managing Director, Chief Operating Officer and Whole Time Director and Key Management Personnel are as under :-

### Details of Remuneration Paid/Payable to KMP

Particulars	Mr. Nalin Kumar Gupta	Mr. Mukul Sharma	Mr. Gautam Goel	Mrs. Bindu Vashist Goel
Year ended March 31, 2022				
Short-term employee benefits				
Salary	0.35	0.29	0.93	0.42
Post-employment benefits				
Contribution to Provident Fund, Gratuity and other Funds*	0.05	0.07	-	-

# Represent amount below ₹ 50,000/-

\* As the liability for gratuity is provided on actuarial basis for the Holding 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.

### D. Pursuant to Scheme of Arrangement

As per the Scheme of Arrangement , M/S Dhampur Sugar Mills Ltd.(Erstwhile holding company/Demerged Company) has continued to manage the operations of demerged units, hence the interse transactions between the demerged and resultant companies pertaining to the operation of units, including interse transfer of goods, assets,employees, funds, reimbursement of expenses etc have not been reported here on above. A sum of ₹14.87 Crore is recoverable as at March 31, 2022 from Dhampur Sugar Mills Ltd. on account of money held in trust by them for managing the operations of demerged undertaking which is shown under Trade Receivables.

### NOTE 44: EMPLOYEES' BENEFITS

The required disclosures of employees' benefits as per Indian Accounting Standard (Ind AS) -19 are given hereunder :-

#### (i) Defined contribution plan :

The Group's defined contribution plans are Employees' Pension Scheme, Employees' Provident Fund (under the provisions of Employees' Provident Funds and Miscellaneous Provisions Act, 1952) and Employees State Insurance. The Company has no further obligations beyond making the contributions.

(₹ in Crore)	
Particulars	For the year ended March 31, 2022
Employer's Contribution to Provident Fund	3.18
Employer's Contribution to Pension Fund	1.99

#### (ii) Defined benefit plan :

In respect of 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.

## Notes to the Consolidated Financial Statements

The Group 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.

The following tables summaries the components of net benefit expense recognized in the statement of Profit and Loss

### 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, 2022
Particulars		
Current service cost		1.09
Interest Cost		1.26
Past Service Cost		-
Net interest on the net defined benefit liability		-
<b>Expense recognized in the statement of profit and loss</b>		<b>2.35</b>

#### II. Other comprehensive income

		(₹ in Crore)
		For the year ended March 31, 2022
Particulars		
Actuarial gain / (loss) arising from:		0.12
. Change in financial assumptions		-
. Change in experience adjustments		-
<b>Components of defined benefit costs recognized in other comprehensive income</b>		<b>0.12</b>

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.

## Notes to the Consolidated Financial Statements

### III. Change in present value of defined benefit obligation:

(₹ in Crore)

Particulars	As at March 31, 2022
Present value of defined benefit obligation at the beginning of the year	18.30
Interest expense/income	1.26
Current service cost	1.09
Past service cost	-
Benefits paid	(0.63)
Actuarial (gain)/ loss arising from:	(0.12)
. Change in financial assumptions	-
. Change in experience adjustment	-
. Change in Demographic assumptions	-
Present value of defined obligation at the end of the year	19.91

### IV. Net liability recognized in the Balance Sheet as at the year end:

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of Benefit Obligation at the end of the year	19.91	18.51
Fair Value of Plan Assets at the end of the year	-	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>19.91</b>	<b>18.51</b>
Current liability	2.38	1.15
Non- current liability	17.53	17.36

\*Presented pursuant to the Ind AS 103 (Refer note 42)

### V. Actuarial assumptions:

(₹ in Crore)

Particulars	For the year ended March 31, 2022
Discount rate ( per annum )%	7.20%
Expected rate of salary increase %	5.00%
Retirement / superannuation Age (year)	60
Mortality rates	100% of IALM (2012 - 14)

### VI. Maturity profile of defined benefit obligation:

(₹ in Crore)

Particulars	As at March 31, 2022
Expected cash flows (valued on undiscounted basis):	
With in 0 to 1 Year	2.07
With in 1 to 2 Year	1.30
With in 2 to 3 Year	1.29
With in 3 to 4 Year	1.30
With in 4 to 5 Year	1.58
With in 5 to 6 Year	1.41
6 Year onwards	10.65
<b>Total expected payments</b>	<b>19.60</b>

The average duration of the defined benefit plan obligation at the end of the balance sheet date(in years)

## Notes to the Consolidated Financial Statements

### VII. Sensitivity analysis on present value of defined benefit obligations:

(₹ in Crore)

Particulars	For the year ended March 31, 2022
<b>a) Discount rates</b>	
0.50% increases	(0.64)
0.50% decreases	0.68
<b>b) Salary growth rate :</b>	
0.50% increases	0.69
0.50% decreases	(0.66)

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.

The history of experience adjustments for non-funded retirement plans are as follows :

Particulars	Gratuity (Non funded) 2021-22
Present value of obligation as at the end of the year	19.91
Fair value of plan assets as at the end of the year	-
Net asset/(liability) recognized in the balance sheet	19.91
Net actuarial (gain)/loss recognized	0.12

### NOTE 45: BORROWINGS- NATURE OF SECURITY AND TERMS OF REPAYMENT

#### a) Nature of Security in respect of Long Term Borrowings:

All the term loans outstanding at the end of the year, have been sanctioned and are in the name of Dhampur Sugar Mills Limited, the Demerged Company.

- (i) Rupee term loan from PNB are secured by first pari passu charge on block of fixed assets of the Company and Demerged Company. Further secured by personal guarantee of promoter directors of the Demerged Company.
- (ii) 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 and Demerged Company.
- (iii) Rupee term loan from PNB are secured by first parri passu charge on the entire block of fixed assets of the Company and Demerged Company. Further secured by personal guarantee of promoter directors of the Demerged Company.
- (iv) Rupee Term loan from PNB are secured by first pari passu charge on entire block of assets of Asmoli Unit of the Company and Demerged Company. Further secured by personal guarantee of promoter directors of the Demerged Company
- (v) Rupee term loan from Sugar Development Fund (SDF) are secured by first parri passu charge over the movable and immovable properties of its unit i.e. DBOL Unit Asmoli, Division - Sugar, situated at Asmoli.



## Notes to the Consolidated Financial Statements

### b) Terms of repayment :

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2022	Repayment of Term Loans					Details of security offered
			2022-23	2023-24	2024-25	2025-26	2026-27	
<b>1) Punjab National Bank</b>								
Term loan from bank	7.50%	1.65	1.65	-	-	-	-	Refer note no. 45 (a) (i)
Term loan from bank (Soft Loan)	5.00%	77.99	34.57	34.57	8.86	-	-	Refer note no. 45 (a) (ii)
Term loan from bank (Expansion for Distillery Capacity - Asmoli)	7.50%	76.33	16.85	16.85	16.85	16.85	8.43	Refer note no. 45 (a) (iii)
Term loan from bank (Expansion for Distillery Capacity - Asmoli)	7.50%	8.25	3.00	3.00	2.25	-	-	Refer note no. 45 (a) (iv)
<b>Sub-Total</b>		<b>164.22</b>	<b>56.07</b>	<b>54.42</b>	<b>27.96</b>	<b>16.85</b>	<b>8.43</b>	
<b>2) Government of India, Sugar Development Fund</b>	4.50%	4.18	2.39	1.79	-	-	-	Refer note no. 45 (a) (v)
<b>Grand-Total</b>		<b>168.40</b>	<b>58.46</b>	<b>56.20</b>	<b>27.96</b>	<b>16.85</b>	<b>8.43</b>	

### 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 and demerged company.
- by personal guarantee of the two promoter directors of the Company and demerged 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 first 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 third parri passu charge on the block of fixed assets/immovable properties of the Company and demerged company.
- by personal guarantee of promoter directors of the Company and demerged 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 and demerged company

## Notes to the Consolidated Financial Statements

Working Capital loans from Prathma U P Gramin Bank are secured (Prathma Bank merged with Sarva U P Gramin Bank):

- by way of first pari passu charge of sugar stock of white crystal/raw sugar/ BISS & other processed sugar in bags and sugar in process.
- by way of third pari passu charge on the block of fixed assets/immovable properties of the Company and demerged company.
- by personal guarantee of promoter directors of the Company and demerged 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 and demerged company

### NOTE 46: FINANCIAL INSTRUMENTS - ACCOUNTING, CLASSIFICATION AND FAIR VALUE MEASUREMENT

#### I. Financial instruments by category

The criteria for recognition of financial instruments is explained in accounting policies of company:

#### II Method and assumptions used to estimate fair values:

1. Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, loans, trade and other receivables, 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 is considered based on the discounted cash flow.

(₹ in Crore)

Particulars	Level	Carrying Value as of		Fair Value as of	
		As at March 31, 2022	As at March 31, 2021*	As at March 31, 2022	As at March 31, 2021*
<b>Financial Assets</b>					
<b>Amortized cost</b>					
Investments	Level 3	-	0.19	-	0.19
Others Financial Assets	Level 3	2.03	1.45	2.03	1.45
Loans	Level 3	2.35	5.88	2.35	5.88
Trade receivables	Level 3	107.51	106.56	107.51	106.56
Cash and Bank Balances	Level 3	22.98	13.87	22.98	13.87
Other Bank Balances	Level 3	2.03	0.81	2.03	0.81
<b>Total</b>		<b>136.90</b>	<b>128.76</b>	<b>136.90</b>	<b>128.76</b>
<b>Financial Liabilities</b>					
<b>Amortized cost</b>					
Borrowings	Level 3	822.79	395.04	822.79	395.04
Lease Liabilities	Level 3	5.86	7.80	5.86	7.80
Trade payables	Level 3	168.67	297.87	168.67	297.87
Other Financial Liabilities	Level 3	36.97	12.74	36.97	12.74
<b>Total</b>		<b>1,034.29</b>	<b>713.45</b>	<b>1,034.29</b>	<b>713.45</b>

#### III 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.

## Notes to the Consolidated Financial Statements

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.

**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 Group 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 Group has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations.

*\*Presented pursuant to the Ind AS 103 (Refer note 42)*

### NOTE 47: FINANCIAL RISK MANAGEMENT

The Group has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the company. Together they help in achieving the business goals and objectives consistent with the Group's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk

#### I. 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.

Financial assets are written off when there is no reasonable expectation of recovery, however the Group continues to attempt to recover the receivables. Where recoveries are made, subsequently these are recognized in the statement of profit and loss.

The Group major exposure of credit risk is from trade receivables, which are unsecured and derived from external customers.

## Notes to the Consolidated Financial Statements

### 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
<b>As at March 31, 2022</b>				
Gross Carrying Amount	107.57	106.38	1.19	107.57
Less: Allowance for expected credit losses	0.06			0.06
<b>Carrying Amount (net of impairment)</b>	<b>107.51</b>	<b>106.38</b>	<b>1.19</b>	<b>107.51</b>

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)

Particulars	As at March 31, 2022
<b>Opening Balance</b>	-
Provided during the year	0.06
Reversed during the year	-
<b>Closing Balance</b>	<b>0.06</b>

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.

## II. 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 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.

### (i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and excluding contractual interest payments and exclude the impact of netting agreements.

(₹ in Crore)

As at March 31, 2022	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings	717.96	104.83	-	822.79
Lease Liability	1.90	3.96	-	5.86
Trade payables	167.83	0.84	-	168.67
Other financial liabilities	36.97	-	-	36.97
<b>Total</b>	<b>924.66</b>	<b>109.63</b>	<b>-</b>	<b>1,034.29</b>

## Notes to the Consolidated Financial Statements

(₹ in Crore)

<b>As at March 31, 2021*</b>	<b>Less than One Year</b>	<b>More than one year and less than five year</b>	<b>More than 5 Years</b>	<b>Total</b>
Borrowings	295.85	99.19	-	395.04
Lease Liability	2.07	5.73	-	7.80
Trade payables	297.87	-	-	297.87
Other financial liabilities	12.74	-	-	12.74
<b>Total</b>	<b>608.53</b>	<b>104.92</b>	<b>-</b>	<b>713.45</b>

### (III) 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, 2022 and March 31, 2021. 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, 2022 and March 31, 2021.

#### (a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The 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's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Group's Risk Management. The outstanding forward exchange contracts entered into by the Group at the year end and thereafter disclosed.

(₹ in Crore)

<b>Particulars</b>	<b>USD</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021*</b>
Trade Receivables	-	-
Bank Balances	-	-
Other Current Financial Assets	-	-
Net exposure to foreign currency risk	-	-

(₹ in Crore)

<b>Particulars</b>	<b>USD</b>	
	<b>As at March 31, 2022</b>	<b>As at March 31, 2021*</b>
Other Current Liabilities	-	-
Trade payables	-	-
Letter of Credit	-	-
Net exposure to foreign currency risk	-	-

## Notes to the Consolidated Financial Statements

### Sensitivity analysis -

A reasonably possible strengthening (weakening) of the Indian Rupee, by 5%, against all other currencies would have affected the measurement of financial instruments denominated in a foreign currency profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

### 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.

### Impact of Hedging Activities

Disclosure of effects of Hedge Accounting on Financial Position

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 recognizing hedge effectiveness
	Asset	Liabilities	Asset	Liabilities				
Cash Flow Hedge								
Foreign exchange risk								
(i) Foreign Exchange Forward Contracts					Nil			

\* Nominal value is the ₹ value of the instrument based on spot rate of the first hedge

# Carrying value is the ₹ value of the instrument based on the spot rate of the reporting date

### (b) 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.

### (c) Commodity price risk

Sugar industry being cyclical in nature, realizations get adversely 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.

### (d) 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 Company's interest rate risk arises mainly from borrowings obligations with floating interest rates.

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021*
Variable rate borrowings	740.62	279.01
Fixed rate borrowings	82.17	116.03
<b>Total</b>	<b>822.79</b>	<b>395.04</b>

## Notes to the Consolidated Financial Statements

### Sensitivity:

A change of 50 basis points in interest rates would have following impact on profit after tax-

Particulars	(₹ in Crore)	
	As at March 31, 2022	As at March 31, 2021*
Interest rates – increase by 50 basis points *	3.70	1.40
Interest rates – decrease by 50 basis points *	(3.70)	(1.40)

\* Holding all other variables constant

### (e) Price Risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet at fair value through profit or loss. Since the company does not have material equity investments measured at fair value through profit or loss, there is no material price risk exposure at the end of the financial year.

\*Presented pursuant to the Ind AS 103 (Refer note 42)

## NOTE 48: CAPITAL 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 consolidated financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares. The Capital structure of the Group consists of net debt (borrowings offset by cash and bank balances) and equity of the Group (Comprising issued capital, reserves and retained earnings).

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 seek 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.

The Group monitors capital using a gearing ratio calculated as below:

Particulars	(₹ in Crore)	
	As at March 31, 2022	As at March 31, 2021*
Debt#	822.79	395.04
Less: cash and cash equivalents & bank balances	22.98	13.87
<b>Net debt</b>	<b>799.81</b>	<b>381.17</b>
Equity	877.45	774.95
<b>Gearing Ratio { net debt / (equity + net debt)}</b>	<b>47.69%</b>	<b>32.97%</b>

#Debt is defined as non-current and current borrowings including current maturities of non-current borrowings, as given in notes.

\*Presented pursuant to the Ind AS 103 (Refer note 42)



## Notes to the Consolidated Financial Statements

### NOTE NO. 49 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, 2022	100.00%	877.45	100.00%	101.89	100.00%	0.43	100.00%	102.32
<b>Parent</b>								
Dhampur Bio Organics Limited	99.18%	870.27	104.26%	106.23	20.93%	0.09	103.91%	106.32
<b>Subsidiaries- Foreign</b>								
Dhampur International Pte. Ltd.	0.82%	7.18	-4.26%	(4.34)	79.07%	0.34	-3.91%	(4.00)

### NOTE 50: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of Consolidated financial statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 30, 2022 there were no material subsequent events to be recognized or reported that are not already disclosed.

### NOTE 51: OFFSETTING FINANCIAL INSTRUMENTS

The are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at each reporting date.

### NOTE 52: IMPACT OF COVID 19

The Group has taken into account all the possible impacts of COVID-19 in preparation of these restated consolidated financial information, including but not limited to its assessment of, recoverable values of its financial and non-financial assets, impact on revenue recognition, and impact on leases. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these restated consolidated financial information and believes that the impact of COVID-19 is not material to these consolidated financial information and expects to recover the carrying amount of its assets. The impact of COVID-19 on the restated consolidated financial information may differ from that estimated as at the date of approval of these restated consolidated financial information owing to the nature and duration of COVID-19.

### NOTE 53: RECONCILIATION OF QUARTERLY BANK RETURNS

#### Note for discrepancies :

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts. Further difference also arises on account of different valuation methodology adopted for valuing the finished goods stock in the books and for the purpose of reporting in the bank return. In the books, stock of finished goods is recorded at lower of cost or net realisable value but for bank purposes it is taken at net realisable value which is determined as per bank norms.

However there is no material difference in reporting the quantity of stock in the bank returns as compared to books of accounts.

Name of the bank	Quarter	(₹ in Crore)		
		Amount as per books of account	Amount as reported in the quarterly returns/ statements	Amount of difference
Working Capital Lenders	31-Mar-22	1,102.78	1,037.59	65.19
Working Capital Lenders	31-Dec-21	624.92	567.09	57.84
Working Capital Lenders	30-Sep-21	387.40	385.57	1.83
Working Capital Lenders	30-Jun-21	710.52	735.73	(25.21)

## Notes to the Consolidated Financial Statements

### NOTE 54: OTHER STATUTORY INFORMATION

- (i) The Group does not have any transactions with struck off companies.
- (ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.
- (iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### NOTE 55: OTHER NOTES

- (i) In the opinion of the Board of Directors, Trade Receivables, other current financial assets, and other current assets have a value on realization in the ordinary course of the Group's business, which is at least equal to the amount at which they are stated in the Consolidated balance sheet.
- (ii) The Board of Directors at its meeting held on May 30, 2022 has approved the Financial Statement for the year ended March 31, 2022.
- (iii) The figures for year ended March 31, 2022 are not comparable with previous period, on account of giving effect to the Scheme of Arrangement w.e.f. March 31, 2021 and not reporting of the figures relating to demerged units, in the Consolidated Statement of Profit and Loss for the year ended March 31, 2021 as stated in Note No. 42.

For **Mittal Gupta & Co.**  
Chartered Accountants  
Firm Registration No.: 01874C

For and on behalf of Board of Directors  
**Dhampur Bio Organics Limited**

**Bihari Lal Gupta**  
Partner  
M. No.: 073794

**V. K. Goel**  
Chairman  
(Din 00075317)

**Sandeep Kumar Sharma**  
Whole Time Director  
(Din 06906510)

**Nalin Kumar Gupta**  
Chief Financial Officer

**Ashu Rawat**  
Company Secretary

Place: New Delhi  
Date: May 30, 2022

Place: New Delhi  
Date: May 30, 2022

# Corporate Information

## Board of Directors

**Mr. Vijay Kumar Goel**, Chairman  
**Mr. Ashwani Kumar Gupta**, Vice Chairman  
**Mr. Gautam Goel**, Managing Director  
**Mr. Sandeep Kumar Sharma**, Whole-time Director  
**Mrs. Bindu Vashist Goel**, Non-Executive Director  
**Ms. Ruchika Mehra Kothari**, Independent Director  
**Mr. Vishal Saluja**, Independent Director  
**Mr. Samir Thukral**, Independent Director  
**Mr. Kishor Shah**, Independent Director

## Chief Financial Officer

**Mr. Nalin Kumar Gupta**

## Company Secretary

**Ms. Ashu Rawat**

## Corporate Identification Number (CIN)

U15100UP2020PLC136939

## Registered Office

Sugar Mill Compound, Village & Post - Asmoli  
District - Sambhal  
Uttar Pradesh-244304

## Corporate Office

Second Floor, Plot No. 201, Okhla Industrial Estate,  
Phase-III,  
New Delhi-110020

## Website

[www.dhampur.com](http://www.dhampur.com)

## Work / Manufacturing Locations

Asmoli, District Sambhal (UP)  
Mansurpur, District Muzaffarnagar (UP)  
Meerganj, District Bareilly (UP)

## Statutory Auditors

M/s Mittal Gupta & Co., Chartered Accountants, Kanpur

## Secretarial Auditors

GSK & Associates, Company Secretaries, Kanpur

## Internal Auditors

M/s SS Kothari Mehta & Co.,  
Chartered Accountants, New Delhi

## Cost Auditors

S.R Kapur, Cost Auditors  
Meerut

## Bankers

Punjab National Bank  
Central Bank of India  
HDFC Bank  
Prathma Bank  
UP Co-operative & District Co-operative Banks

## Registrar and Share Transfer Agents

M/s Alankit Assignments Limited  
'Alankit House'  
4E/2 Jhandewalan Extension  
New Delhi – 110055

