



UTTAM SUGAR MILLS LIMITED

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

August 23, 2023

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

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

Ref. :- Symbol - UTTAMSUGAR

Sub:- **AGM Updates- Annual Report of the Company and Notice convening 28th Annual General Meeting ("AGM")**

Dear Sirs,

In Continuation of our earlier intimation regarding 28th Annual General Meeting (AGM) of the Shareholders of the Company scheduled to be held on Friday, 22nd September, 2023 at 12.00 noon through VC/OAVM facility, we are sending herewith Annual Report of the Company including Notice of 28th AGM for the financial year 2022-23, which is being sent to the shareholders of the Company through electronic mode.



The Notice of the AGM and Annual Report is also being uploaded on the Company's website and can be accessed at www.uttamsugar.in.

You are requested to take the same on your records.

Thanking you,

Yours' faithfully,

For Uttam Sugar Mills Limited



(RAJESH GARG)
Company Secretary & Compliance Officer

Encl: As above



Uttam Sugar Mills Limited

28th Annual Report
2022-23

The Best Sugar you can buy

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Forward-looking Statements

Certain statements in this report may be regarded as forward-looking statements or forecasts but do not represent an earnings forecast or guarantee. Actual results and outcomes may differ materially from those expressed in or implied by these statements. All forward-looking statements are based solely on the views and considerations of the management.

Read this report online

The online version of Uttam Sugar Mills Limited referred to 'USML' Annual Report 2022-23 is available on our corporate website under the 'Investors lounge' section: www.uttamsugar.in.

Corporate Information

| | | | |
|--|---|---|---|
| Board of Directors | Mr. Raj Kumar Adlakha, Managing Director Mr. Shankar Lal Sharma, Executive Director Mr. Gurbachan Singh Matta, Non-Executive Director Mr. Narendra Kumar Sawhney Independent Director Mrs. Rutuja Rajendra More, Independent Director Mr. Jasbir Singh, Independent Director Mr. Ravi Kumar, Independent Director | Statutory Auditor | M/s B.K. Kapur & Co. Chartered Accountants 17 Navyug Market Ghaziabad, Uttar Pradesh 201001 |
| Audit Committee | Mr. Narendra Kumar Sawhney Mr. Gurbachan Singh Matta Mr. Jasbir Singh | Internal Auditor | M/s S S KOTHARI MEHTA & COMPANY Chartered Accountants Plot No. 68, Okhla Phase III, New Delhi - 110020 |
| Nomination and Remuneration Committee | Mr. Narendra Kumar Sawhney Mr. Gurbachan Singh Matta Mr. Jasbir Singh | Cost Auditor | M/s M.K. Singhal & Co. Cost Accountants MSG House, C-91, Sector-71, Noida, Uttar Pradesh - 201301 |
| Stakeholders Relationship Committee | Mr. Gurbachan Singh Matta Mr. Narendra Kumar Sawhney Mr. Jasbir Singh | Secretarial Auditor | M/s N.K. RASTOGI & ASSOCIATES Company Secretaries 3, Shankar Vihar, 2nd Floor, Vikas Marg, Delhi – 110092 |
| Corporate social Responsibility Committee | Mr. Raj Kumar Adlakha Mr. Shankar Lal Sharma Mr. Narendra Kumar Sawhney | Registrar & Share Transfer Agent | Link Intime India Private Limited Noble Heights, 1 st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058. Tel. :- 011-4141 0592-94 Email: delhi@linkintime.co.in |
| Registered Office | Village Libberheri, Tehsil Roorkee, District Haridwar, Uttrakhand-247667 | Listed At | National Stock Exchange of India Limited Symbol: UTTAMSUGAR, Series: EQ BSE Limited Scrip Code: 532729 Scrip ID: UTTAMSUGAR |
| Corporate Office | A-2E, 3rd Floor, C.M.A. Tower, Sector – 24, Noida – 201 301 (U.P.) | Website | www.uttamsugar.in |
| Bankers | Punjab National Bank State Bank of India Axis Bank Limited Indusind Bank Uttarakhand State Co-operative Bank Ltd. Zila Sahkari Bank Limited Ghaziabad Muzaffarnagar District Co-operative Bank Ltd. District Co-operative Bank Ltd. (Saharanpur) | Grievance id | investorrelation@uttamsugar.in |
| | | Email id | uttam.secretarial@uttamsugar.com |

Our Mission & Vision



To be a dynamic organization that remains ahead of the new challenges through its culture of continuous development and technological innovations while remaining committed to social responsibility.



To remain a growth oriented organization maximizing Bio-Fuel production and green power, producing and marketing UTTAM quality sugar to create the best brand and long term value for all stakeholders.

Our Manufacturing Facilities

Libberheri Unit

The sugar mill at Libberheri is located in District Haridwar, in the state of Uttarakhand. At Libberheri unit we have cane crushing capacity of 6250 TCD and Co-generation capacity of 29 MW along with Distillery capacity of 50 KLPD. Libberheri unit produces Refined, Speciality and Pharmaceutical grade Sugar and Ethanol. This unit also have Potash production plant with a capacity of 50 TPD.

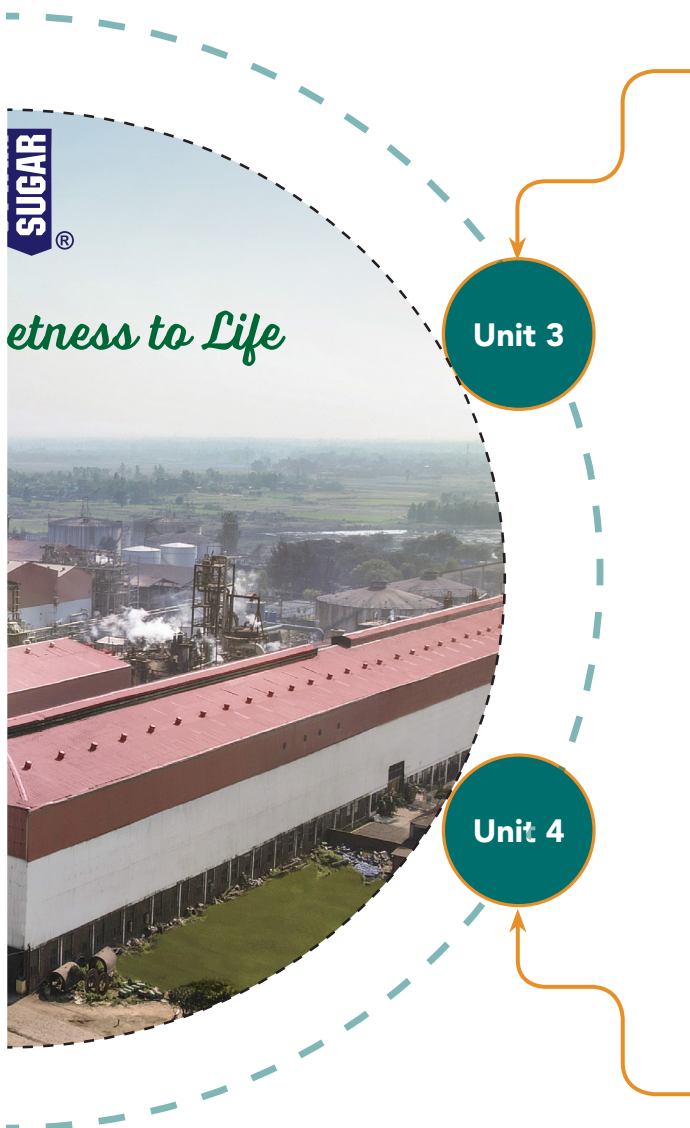
Unit 1

Barkatpur Unit

The sugar mill at Barkatpur is located in District Bijnor, in the state of Uttar Pradesh. At Barkatpur unit we have cane crushing capacity of 7000 TCD and Co-generation capacity of 53 MW along with Distillery capacity of 150 KLPD. Barkatpur unit produces Sugar and Ethanol. This unit also have Potash production plant with a capacity of 200 TPD.

Unit 2





Khaikheri Unit

The sugar mill at Khaikheri is located in District Muzaffarnagar, in the state of Uttar Pradesh. At Khaikheri unit we have cane crushing capacity of 4500 TCD and Co-generation capacity of 15 MW. Khaikheri unit produces premium quality white refined Sugar.

Shermau Unit

The sugar mill at Shermau is located in District Saharanpur, in the state of Uttar Pradesh. At Shermau unit we have cane crushing capacity of 6000 TCD and Co-generation capacity of 25 MW. Shermau unit produces premium quality white refined Sugar.

Our Growth Journey Across 25 Years





Corporate Snapshot

From 2,500 TCD in 2001 to 23,750 TCD presently and being further expanded to 26,500 TCD. Each year the Company has grown in terms of crushing capacity from Plantation white sugar to Refined sugar of less than 20 ICUMSA, Liquid sugar, Specialty sugar, Pharmaceutical grade sugar and now has 21 products to its name. Our sugar can be found in all leading Stores, Restaurants, Airlines, Railways and through all of Northern India, Central India and the States of Rajasthan & Gujarat, making it the most value added sugar. Some of clients includes all leading Hotel chains like Taj, Lalit, Leela, Lemon Tree, etc., organize retail like Amazon, Flipkart, Blinkit, Zepto etc. and prestigious Institutional sale like Rasna, Safal, Britannia, Cadbury, Pepsi, Parle, Mother Dairy etc.

Having an installed capacity of 122 MW, we also have an exportable capacity of 64 MW of Green Power.

Focused now on Bio-fuel. The present capacity is 200 KL per day adding 100 KL by the beginning of sugar season 2023-24 to take it to 300 KL per day on C-Heavy Molasses. 25% capacity higher in case of B-Heavy/ syrup.

Our strict/ sincere adherence to Uttam Quality and sound Corporate Governance practices ensures transparency in operations.

Our Products



Sugar

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

Ethanol

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

Ethanol

ALTERNATIVE
FUEL



Co - Gen

The Company also having co-generation facility and producing of power from Bio-mass of 122 MW capacity. Excess power being exported to concerned Power Corporation under PPA's.

Financial Performance Highlights

Our financial journey

The Company registered a gross turnover of ₹ 205,886.93 Lakhs for the year ended 31st March, 2023 against ₹ 2,03,434.59 Lakhs for the year ended 31st March, 2022, an increase of gross turnover by 1.21 %. EBITDA, during FY 2022-23 is ₹ 25,362.67 lakhs as compared to EBITDA of ₹ 28,528 lakhs during previous FY. Highest ever EBITDA recorded by the Company during the the last couple of years.

Our solid foundations

- Integrity
- Sustainability
- Focus
- Efficiency
- Accountability
- Innovation
- Safety

Our credit rating

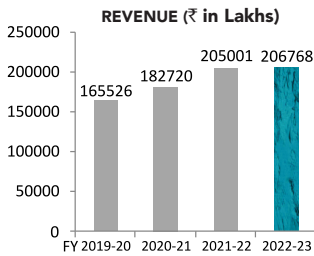
Our credit rating has been gradually improving in previous financial years. Care rating limited recently upgraded our ratings as detailed below:

| Type of Credit Rating | CARE |
|---|----------------------------|
| Rating on Long Term Bank Facilities: (Term Loan/Fund based) | CARE BBB+ Stable |
| Rating on Short Term Bank Facilities: (Non Fund Based) | CARE A2 |

Historical financial highlights (₹ in Lakhs)

| Parameter | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| Income from operations | 122,814 | 164,483 | 181,859 | 203,435 | 205,887 |
| Total income | 123,685 | 165,526 | 182,720 | 205,001 | 206,768 |
| EBITDA | 18,071 | 19,263 | 22,462 | 28,528 | 25,363 |
| Interest | 8,036 | 7,897 | 8,611 | 7,492 | 5,240 |
| Depreciation | 2,663 | 2,924 | 2,852 | 3,321 | 3,626 |
| PBT | 7,372 | 8,442 | 10,999 | 17,714 | 16,497 |
| Tax | 1,560 | 3,280 | 5,023 | 4,222 | 4,134 |
| PAT | 5,812 | 5,163 | 5,976 | 13,492 | 12,362 |
| Equity share capital | 3,813.81 | 3,813.81 | 3,813.81 | 3,813.81 | 3,813.81 |
| Earnings per share (₹) | 15.27 | 13.53 | 15.67 | 35.38 | 32.41 |
| Net worth | 23,420 | 28,516 | 33,795 | 46,277 | 57,642 |
| Gross fixed assets | 65,528 | 67,159 | 68,296 | 83,611 | 87,172 |
| Net fixed assets | 58,176 | 56,931 | 55,247 | 67,269 | 67,259 |
| Total assets | 173,964 | 173,656 | 178,019 | 156,993 | 162,222 |

Our Operation and Financial Performance in the last few years



Definition

Revenues include sales & other operating income.

Why is this measured?

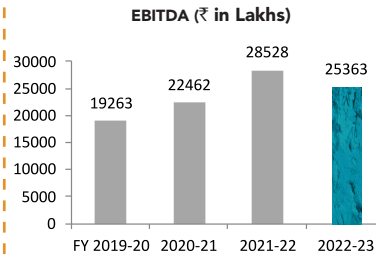
It is an index that measures the Company's ability to report revenue growth, which can, in turn, help the Company amortise expenses effectively, strengthening margins.

What does it mean?

Revenues increased 0.86% to 206767.64 Lakhs in 2022-23 due to higher export and better realisation besides increase in ethanol sales.

Value impact

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



Definition

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

Why is this measured?

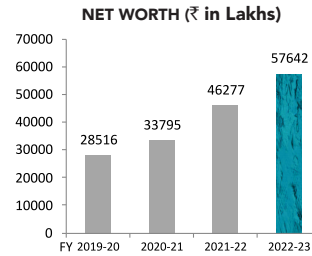
It is an index that showcases the Company's ability to generate a surplus following operating costs.

What does it mean?

EBITDA decreased 11.09% to 25362.67 Lakhs which is due to increase in cost of materials consumed. However, it is better in compare to other peer companies.

Value impact

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



Definition

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

Why is this measured?

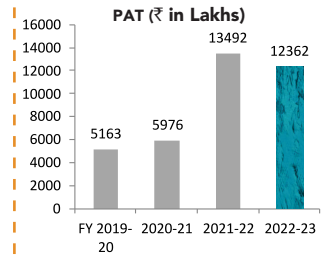
Net worth indicates the financial soundness of the Company – the higher the better.

What does it mean?

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

Value impact

The Company's net worth strengthened 24.56% during the year.



Definition

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

Why is this measured?

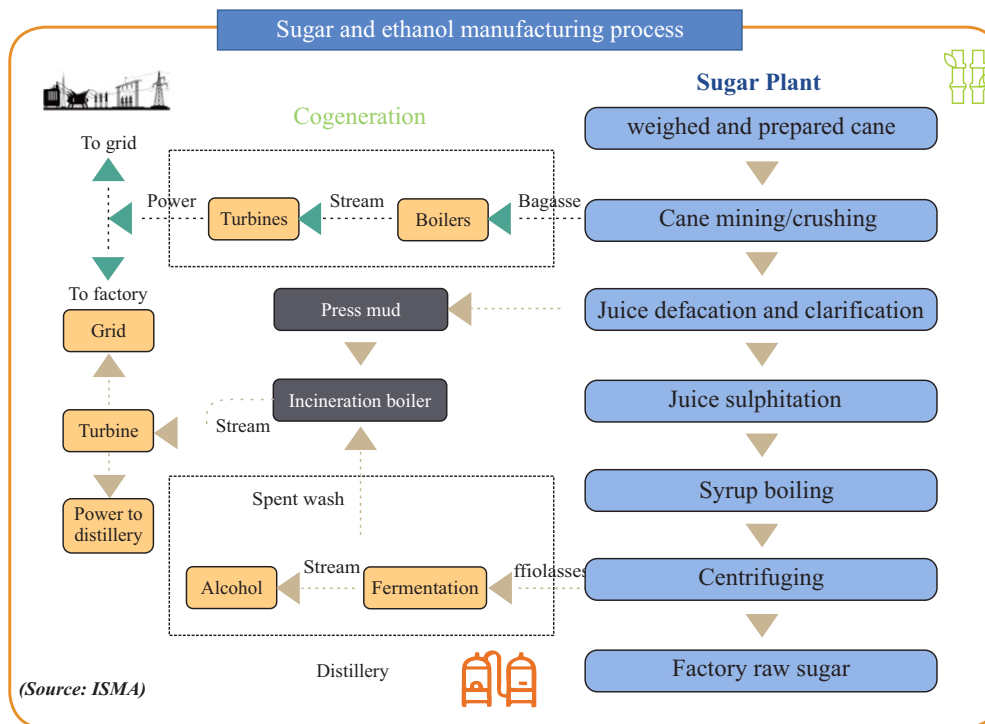
This measure highlights the strength of the business model in enhancing shareholder value.

What does it mean?

Ensures that adequate surplus is available for reinvestment.

Value impact

The Company reported a 8.36% decrease in net profit in 2022-23 which is due to increase in Cost of material.



GROWTH OF SUGAR DEMAND IN INDIA

Population growth: India has emerged as the most populous country in 2023. This population growth will catalyse demand for food, fuel and power sectors, among others, where sugarcane is an essential resource.

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

(Source: Economic Times)

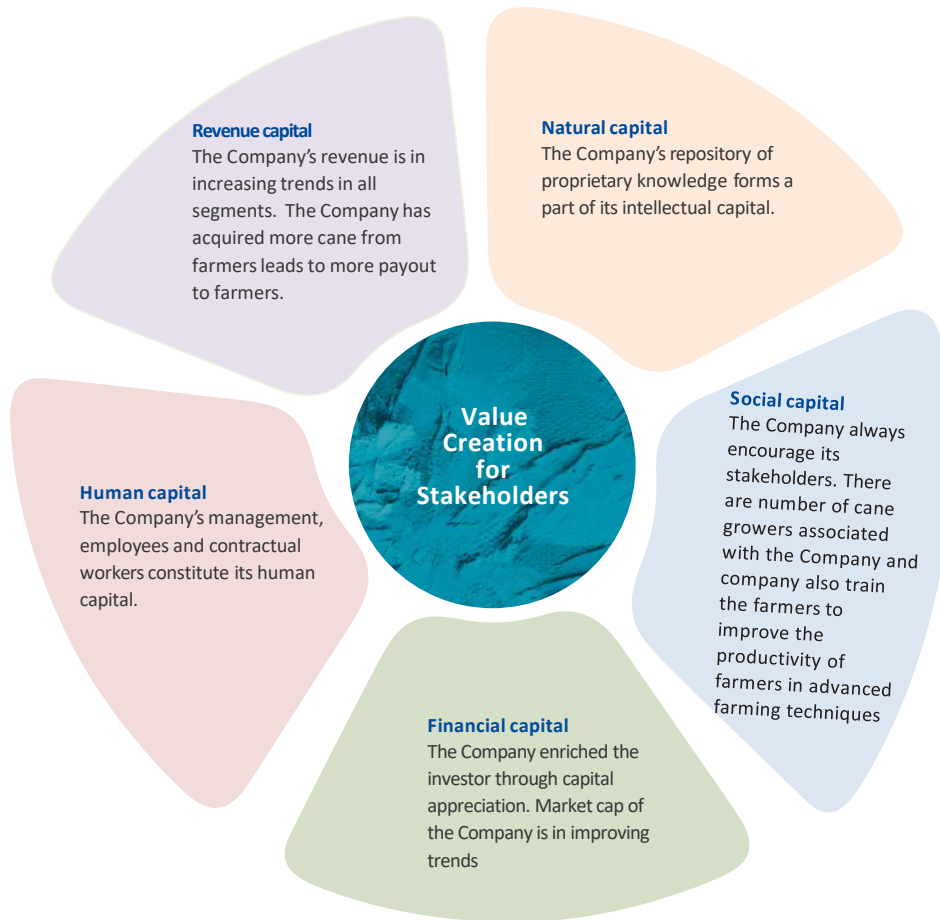
Growing confectionery sales: The sugar confectionery market is to grow rapidly at a projected CAGR of around 12% by 2027, driving sugar demand.

(Source: bonafidereasearch)

SUGAR PRODUCTION AND CONSUMPTION (IN MILLION TONNES)

| Year | Production | Consumption |
|---------|------------|-------------|
| 2013-14 | 24.4 | 24.2 |
| 2014-15 | 28.3 | 25.6 |
| 2015-16 | 25.1 | 24.8 |
| 2016-17 | 20.3 | 24.5 |
| 2017-18 | 32.5 | 25.4 |
| 2018-19 | 33.2 | 25.5 |
| 2019-20 | 27.4 | 25.3 |
| 2020-21 | 31.2 | 26.6 |
| 2021-22 | 35.0 | 27.4 |
| 2022-23 | 32.8 | 27.5 |

THE VALUE WE CREATED FOR OUR STAKHOLDERS IN FINANCIAL YEAR 2022-23



Performance vis a vis value shared with whom

Performance

There were 3161 employees were employed during the year.

Value shared with Employees

The Company provided benefits worth ₹ 99.56 Crore to employees in 2022-23

Performance

Earnings per share for the financial year 2022-23 is ₹ 32.41.

Market Cap (as on March 31, 2023) of the Company was ₹ 87946 Lakhs

Value shared with investor

The Company enriched investor through Capital Appreciation. Market Cap of the Company is also improving.

Performance

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

Value shared with Distributors and Suppliers

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

Performance

The Company has produced Cogenerated power of 2892.69 Lakhs KWH

The Company has produced the Ethanol at 550.43 Lakhs BL.

Value shared with society and environment

The Company is environmentally responsible and complaint. Benefit to society vide employment and training

Performance

The revenue of the Company has increased in every segment as detailed below:

Sugar: ₹ 1,65,520 Lakhs

Ethanol: ₹ 32,110 Lakhs

Power: ₹ 6,040 Lakhs

Others: ₹ 1,401 Lakhs

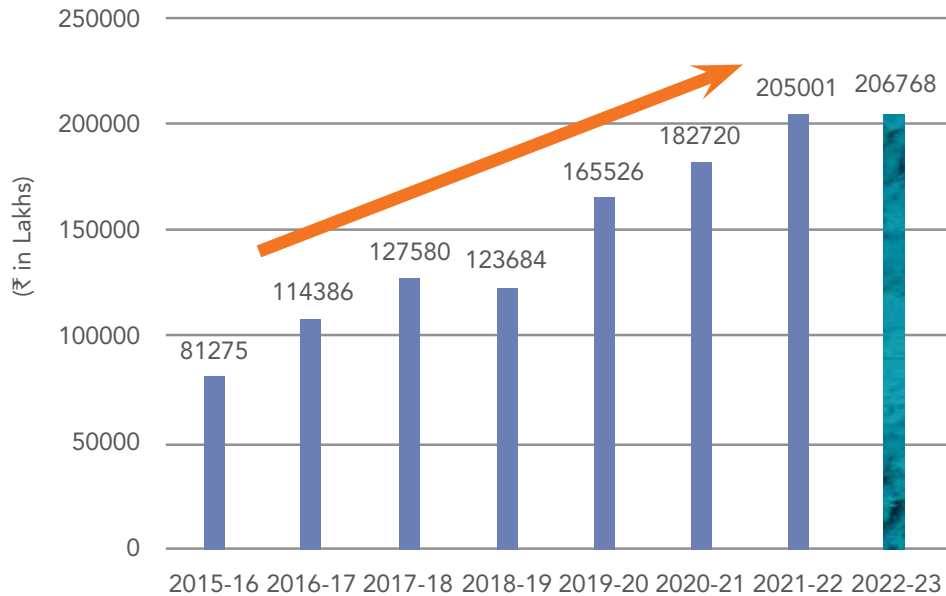
Value shared with farmers

The Company has acquired cane from farmers worth ₹ 1474.30 crore.

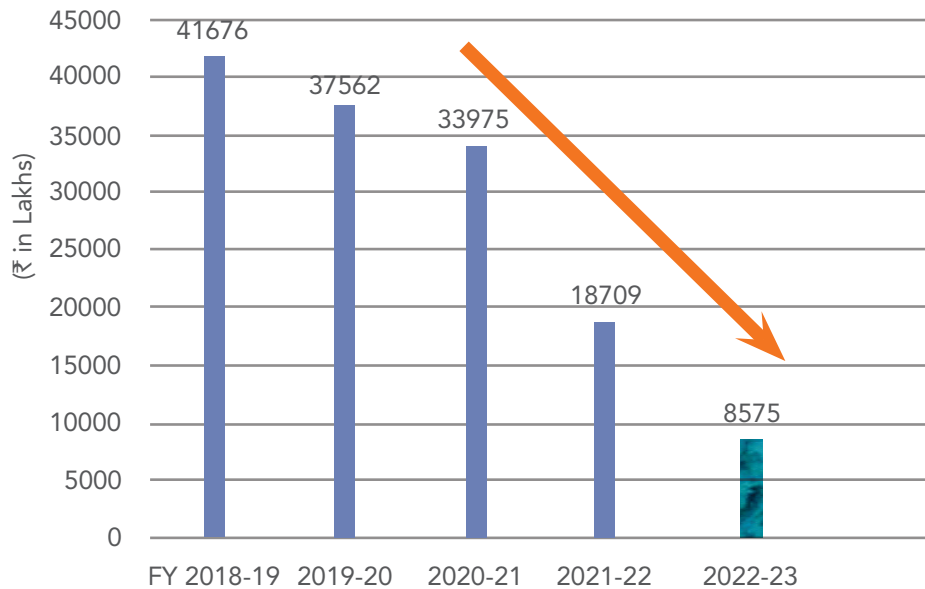
Our Capabilities

| | Cane Crushing Capacity per day (TCD) | Power Capacity (MW) | Exportable Power (MW) | Ethanol Distillery (KLPD) |
|--------------|--------------------------------------|---------------------|-----------------------|---------------------------|
| Libberheri | 6250 TCD | 29 MW | 13 MW | 50 KLPD |
| Barkatpur | 7000 TCD | 53 MW | 26 MW | 150 KLPD |
| Khaikheri | 4500 TCD | 15 MW | 10 MW | 0 KLPD |
| Shermau | 6000 TCD | 25 MW | 15 MW | 0 KLPD |
| Total | 23750 TCD | 122 MW | 64 MW | 200 KLPD |

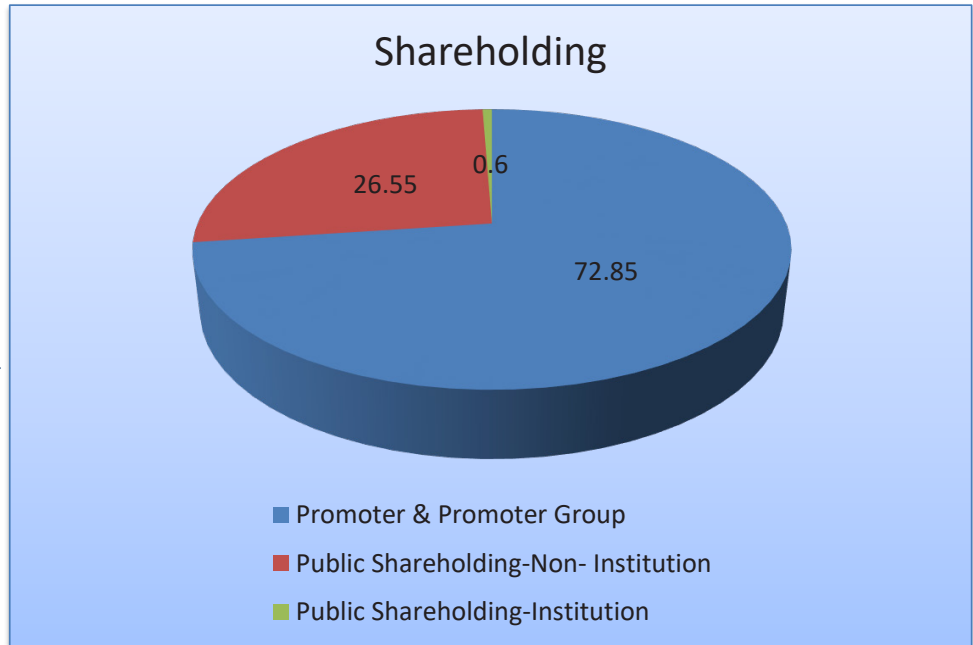
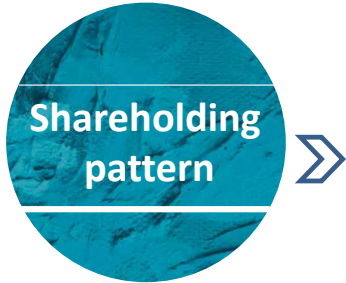
Our Growth Story



Revenue



Debts



NOTICE OF 28TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 28th Annual General Meeting of the Members of Company will be held on Friday, 22nd September, 2023 at 12.00 Noon through Video Conferencing / Other Audio Visual Means to transact the following business (es):

ORDINARY BUSINESS(ES):

1. Adoption of Financial Statements

To receive, consider and adopt the financial statements of the Company for the financial year ended 31st March, 2023 including the audited Balance Sheet as at 31st March, 2023, Profit & Loss Statement for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

2. Declaration of Final Dividend on Preference Shares for the Financial Year ended March 31, 2023

- To declare Final Dividend on 6.50% Non-Cumulative Redeemable Preference Shares (NCRPS) of Face Value of ₹ 100/- (Rupees One Hundred Only) for the Financial Year ended March 31, 2023.
- To declare Final Dividend on 10.00% Non-Cumulative Redeemable Preference Shares (NCRPS) of Face Value of ₹ 100/- (Rupees One Hundred Only) for the Financial Year ended March 31, 2023.

3. Declaration of Final Dividend on Equity Shares for the Financial Year ended March 31, 2023

To declare Final Dividend on Equity Shares at the rate of 25% [i.e. ₹ 2.50/- (Rupees Two and Fifty Paise Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended March 31, 2023.

4. Re-appointment of Mr. Shankar Lal Sharma (DIN: 09018381) as a Director liable to Retire by Rotation

To re-appoint Mr. Shankar Lal Sharma (DIN: 09018381) who retires by rotation and is eligible for re-appointment.

SPECIAL BUSINESS(ES):

5. Re-appointment of Mr. Shankar Lal Sharma (DIN: 09018381) as Whole Time Director and approval of Remuneration

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and

all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of Articles of Association of the Company, the consent of the Company be and is hereby accorded for the re-appointment and payment of remuneration to Mr. Shankar Lal Sharma (DIN: 09018381) as a Whole Time Director of the Company, designated as "Executive Director", for a further period of three years commencing from 01st January, 2024 to 31st December, 2026 as recommended by the Nomination and Remuneration Committee of the Directors and approved by the Board of Directors on 11th August, 2023 on the terms and conditions including remuneration as minimum remuneration in the case of loss or inadequacy of profits in any financial year as set out in the explanatory statement, which shall be deemed to form part thereof."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise, implement, alter and vary the terms and conditions of his re-appointment including remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 or any modification thereto and as may be agreed to by and between the Board and Mr. Shankar Lal Sharma."

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

6. Re-appointment of Mr. Raj Kumar Adlakha (DIN: 00133256), Managing Director and approval of Remuneration

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of Articles of Association of the Company, the consent of the Company be and is hereby accorded for the re-appointment and payment of remuneration to Mr. Raj Kumar Adlakha (DIN : 00133256) as Managing Director of the Company for a further

NOTICE OF AGM

period of three years commencing from 01st April, 2024 to 31st March, 2027 as recommended by the Nomination and Remuneration Committee of the Directors and approved by the Board of Directors on 11th August, 2023 on the terms and conditions including remuneration as minimum remuneration in the case of loss or inadequacy of profits in any financial year as set out in the explanatory statement, which shall be deemed to form part thereof."

"RESOLVED FURTHER THAT in addition to remuneration (Salary and Perquisites), the Board of Directors of the Company be and is hereby authorised to decide the actual amount of commission payable in any financial year to Mr. Raj Kumar Adlakha upto 4% of the net profits of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorized to revise, implement, alter and vary the terms and conditions of his re-appointment including remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 or any modification thereto and as may be agreed to by and between the Board and Mr. Raj Kumar Adlakha."

"RESOLVED FURTHER THAT the Board be and is hereby also authorized to do and perform all such acts, deeds, matters and things as may be

considered desirable or expedient to give effect to this resolution."

7. Remuneration of Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 3,75,000/- (Rupees Three Lakhs Seventy Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses for the Financial Year 2023-24 as approved by the Board of Directors on the recommendation of Audit Committee, to be paid to M/s. M.K. Singhal & Co., Cost Accountants (Firm Registration No. 00074) to conduct the audit of the cost records of the Company be and is hereby ratified and confirmed."

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

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

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

Place : Noida

Date : 11th August, 2023

NOTES:

1. The relevant Explanatory Statement setting out all material facts relating to special business(es) contained in Item No. 5 to 7 as required under Section 102 of the Companies Act, 2013 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India. Additional information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment / re-appointment at the AGM also forms a part of this Notice.
2. In view of the relaxation granted by the Ministry of Corporate Affairs ('MCA') vide its General Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2022 dated

May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 ('MCA Circulars') and SEBI vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 ('SEBI circulars') (MCA Circulars and SEBI Circulars collectively referred as Circulars) has permitted the holding of the AGMs through VC/OAVM facility and dispensed physical presence of the members at the meeting. In compliance with the provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Circulars, the 28th AGM of the Company is being held through VC/OAVM facility. The deemed venue for the AGM shall be the Registered Office of the Company.

3. Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating through VC/OAVM facility is mentioned in Note No. 29 of the notice and also available at the Company's website at www.uttamsugar.in. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
4. Since the AGM is being convened through VC or OAVM in terms of the Circulars, the physical attendance of Members has been dispensed with, there is no requirement for appointment of proxies. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Corporate Members intending to allow their authorised representatives to attend the Meeting through VC/ OAVM are requested to send to the Company, certified true copy of the Board Resolution authorizing their authorized signatory(ies) to attend and vote on their behalf at this Annual General Meeting by e-mail at investorrelation@uttamsugar.in.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 16th September, 2023 to Friday, 22nd September, 2023 (both days inclusive).
9. Any query related to Accounts and/or matters to be placed at AGM must be sent to Company's email id i.e. investorrelation@uttamsugar.in.
10. The Company has paid the Annual Listing Fees for the year 2022-23 to the following Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited on which the Company's Securities are presently listed.
11. The Board of Directors in their meeting held on 15th May, 2023 had recommended final Dividend on the Preference shares and Equity shares of the Company for the financial year 2022-23. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made by Saturday, 21st October, 2023 as under:
 - To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on **Friday, 15th September, 2023**.
 - To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on **Friday, 15th September, 2023**.
12. Dividend if approved at AGM, will be paid through Reserve bank approved electronic mode (such as NECS, ECS, NEFT, RTGS). In case dividend cannot be paid through the electronic mode, it will be paid through dividend warrants/ demand drafts.

In cases where the payments to the members holding shares in dematerialized form are made by dividend warrants/demand draft, particulars of bank account registered with their Depository Participants will be considered by the Company.
13. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the shareholders at the prescribed rates. The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Income Tax Act, 1961. It is to be noted that dividend for the Financial Year 2022-23 is subject to declaration by the Members in the AGM.

Dividend will be taxable in the hands of the shareholders in the Financial Year 2023-24 (Assessment Year 2024-25). Accordingly, all the details and declarations are required to be furnished for Financial Year 2023-24 (Assessment Year 2024-25). Kindly note that the aforesaid documents, duly executed, can be sent to the company as under:

 - A) Executed documents can be sent through email at investorrelation@uttamsugar.in

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B) Executed documents (in original) can be sent directly at the Corporate Office of the Company situated at A-2E, 3rd Floor, CMA Tower, Sector -24, Noida – 201 301.

The aforesaid executed documents must reach the Company on or before September 15, 2023 in order to enable the Company to determine and deduct appropriate TDS/withholding tax on payment of dividend. It is to be duly noted that the Members sending documents through email are also required to send the executed documents (in original) at the Corporate Office of the Company.

14. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
15. In accordance with SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September 2020 all share transfers shall be carried out compulsorily in the dematerialised form with effect from 1st April 2021. Hence, no transfer of shares in physical form are allowed.

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

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

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

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

16. SEBI has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1st January 2022, any service requests or complaints received from the member will not be processed by RTA.

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

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

All of above required documents/details shall be provided to Company/RTA at investorrelation@uttamsugar.in and delhi@linkintime.co.in and send the documents at the Corporate office of the company or at the address of RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the RTA i.e. www.linkintime.co.in.

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

17. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities Market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Company's RTA.
18. Members who hold shares in physical form in multiple folios in identical name or joint holding in the same order of names are requested to send their share certificates to our RTA for consolidation into a single folio.

19. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address/bank details or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

PROCEDURE FOR DISPATCH OF ANNUAL REPORT AND REGISTRATION OF EMAIL ID

20. Pursuant to the circulars issued by the Ministry of Corporate Affairs (MCA), the Notice of AGM alongwith Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Please take note that Notice and Annual Report 2022-23 has been uploaded on the website of the Company i.e. www.uttamsugar.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the e-Voting facility) i.e. www.evoting.nsdl.com.
21. As per the green initiative of the Ministry of Corporate Affairs (MCA), members are requested to register/update their email address with depository if they are holding shares in demat mode or to the Registrar & Share Transfer Agent of the Company viz. Link Intime India Private Limited, if they are holding shares in physical mode in order to receive the various Notices and other Notifications from the Company in electronic form.

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

22. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended upto date and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Circulars issued by the Ministry of Corporate Affairs and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the Company is pleased to provide facility of voting through electronic means i.e. remote e-voting in respect of the business(es) to be transacted at the 28th Annual General Meeting (AGM) as well as e-voting system on the date of the AGM. For this purpose,

the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency.

23. The remote e-voting period commences on Monday, 18th September, 2023 (9.00 am) and ends on Thursday, 21st September, 2023 (5.00 pm). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date/record date i.e. Friday, 15th September, 2023 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.
24. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date/record date i.e. Friday, 15th September, 2023. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
25. The facility for voting through e-voting system shall also be made available at the Meeting & Members attending the meeting who has not already cast their vote by remote e-voting shall be able to vote at the meeting through e-voting.
26. Further, the company has engaged NIVIS CORP SERVE LLP for providing video conferencing system through cisco webex and e-voting services through NSDL. In case any member required any assistance in respect of e-voting or joining of Meeting through VC/OAVM can contact at the following:-
- Ms. Richa Rastogi,
 - Nivis Corpserve LLP,
 - Contact No. 011-45201005.
 - email id info@nivis.co.in.
27. Mr. Naveen Kumar Rastogi, Practicing Company Secretary (Membership No. 3685) has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
28. The results of voting will be declared within two working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the Company's corporate website i.e.

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www.uttamsugar.in under the section 'Investors Lounge' and on the website of NSDL i.e. www.evoting.nsdl.com. Such results will also be forwarded to the National Stock Exchange of India Limited & BSE Limited.

PROCESS AND MANNER OF REMOTE E-VOTING AND E-VOTING DURING THE AGM

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

Step 1: Access to NSDL e-Voting system

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

Details on Step 1 are mentioned below

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

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

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <p>A. NSDL IDeAS facility</p> <p>(i) If you are already registered, follow the following steps:-</p> <ol style="list-style-type: none"> 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. 3. A new screen will open. You will have to enter your User ID and Password/OTP. After successful authentication, you will be able to see e-Voting services. 4. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. 5. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-voting period or joining virtual meeting & e-voting during the meeting. <p>(ii) If you are not registered, follow the following steps:-</p> <ol style="list-style-type: none"> 1. Option to register is available at https://eservices.nsdl.com. 2. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Please follow steps given in 1 to 5 at point A. |
| | <p>B. E-voting website of NSDL</p> <ol style="list-style-type: none"> 1. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL |

| | |
|--|---|
| | <p>and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & e-voting during the meeting.</p> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is https://web.cdslindia.com/myeasitoken/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by clicking on a link i.e. www.cdslindia.com, on a home page click on e-Voting tab available at the bottom and enter your demat account number and PAN number. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> | <ol style="list-style-type: none"> 1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

| Login type | Helpdesk details |
|---------------------------|---|
| Securities held with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000 or NIVIS CORP SERVE LLP at info@nivas.co.in or at 011-45201005 |
| Securities held with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 or NIVIS CORP SERVE LLP at info@nivas.co.in or at 011-45201005 |

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

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

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

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

4. Your User ID details are given below:

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

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

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical

form. The pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page open.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of

shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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

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

1. In case shares are held in physical mode, please send duly signed request with scanned copy of any one share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investorrelation@uttamsugar.in with subject line "LOGIN DETAIL REQUIRED FOR AGM OF FOLIO NUMBER :- MENTION FOLIO NUMBER).
2. In case shares are held in demat mode, please update/register your email id with your depository participant and send updated copy of client master report at investorrelation@uttamsugar.in with subject line "LOGIN DETAIL REQUIRED FOR AGM OF DPID-CLID MENTION DPID-CLID).

If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

30. GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to naveen@nkrassociate.com with a copy marked to evoting@nsdl.co.in.

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2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no. 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in or contact Nivis Corpserve LLP, Ms. Richa Rastogi at info@nivis.co.in, or may call at 011-45201005.
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as on the cut-off date i.e. Friday, 15th September, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company at investorrelation@uttamsugar.in. However, if any shareholders are holding shares in demat mode and becomes member of the Company after the notice is sent through e-mail and holding shares as on the cut-off date i.e. Friday, 15th September, 2023, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
5. Members are encouraged to join the Meeting through Laptops or desktops for better experience.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop or desktop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Statutory records/registers (as may be applicable) shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

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

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

32. PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT AT THE 28TH AGM

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/folio number, email id, mobile number and number of shares held on or before 19th September, 2023 with the Company at investorrelation@uttamsugar.in with subject line **"REGISTRATION FOR SPEAKER SHAREHOLDER (MENTION FOLIO/DPID-CLID)"**
2. Shareholders will be allowed to speak only when moderator of the meeting/ management will announce the name for speaking.
3. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
4. Other shareholders may ask questions to the panelist, via question answer box which will be available during the meeting in right side corner.

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

Link Intime India Private Limited

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

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

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

| Name | Mr. Shankar Lal Sharma | Mr. Raj Kumar Adlakha |
|--|---|---|
| DIN | 09018381 | 00133256 |
| Date of Birth | 10 th August, 1973 | 22 nd January, 1956 |
| Date of first Appointment on the Board | 07 th January, 2021 | 28 th July, 1998 |
| Qualifications | FCA, B.Com | B.E.(Mech.) |
| Experience | Mr. Shankar Lal Sharma is a Chartered Accountant and also holds degree in Bachelor of Commerce. Mr. Sharma is having overall 26 years of experience in different areas like commercial, Accounting, Administration, Production planning, Internal control, Legal, Marketing, Plant operation, Project management, Cost control, Cane management etc. He has a vast experience in various industries viz. Oil, Cement, Paper, Steel and Sugar. | Mr. Raj Kumar Adlakha is having more than 44 years of industrial experience in managing the operations of industrial undertakings. He started his career in 1979 by joining his family business of manufacturing parts for sugar mill machinery and expanded the business to carry out turnkey sugar mill projects. He was instrumental in setting up of our four sugar manufacturing units, Co-generation Unit and two Distillery Unit under his leadership. |
| Directorship held in other Listed Companies | NIL | NIL |
| Resignation from other Listed Companies in last 3 years | N.A. | N.A. |
| Chairmanship/Membership in Committee across other Listed Companies | NIL | NIL |
| Number of Shares held in the Company | NIL | 16,24,610 Equity Shares |
| Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid | Refer explanatory statement (Item No. 5) | Refer explanatory statement (Item No. 6) |
| Remuneration last drawn (Per Annum) | ₹ 72.56 Lakhs | ₹ 1119.80 Lakhs |
| The number of Meetings of the Board attended | 5 (Five) | 5 (Five) |
| Relationship with other Directors, KMP and Manager | None | None |

**Details of Shareholding of
Non-Executive Directors of the Company**

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

| Sl. No. | Name of Directors | No. of Equity Shares held | No. of Equity Shares held as beneficial owner |
|---------|----------------------------|---------------------------|---|
| 1 | Mr. Gurbachan Singh Matta | Nil | Nil |
| 2 | Mr. Narendra Kumar Sawhney | Nil | Nil |
| 3 | Mrs. Rutuja Rajendra More | Nil | Nil |
| 4 | Mr. Jasbir Singh | Nil | Nil |
| 5 | Mr. Ravi Kumar | Nil | Nil |

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

Item No. 5

Mr. Shankar Lal Sharma is associated with the Company w.e.f. 04th July, 2013. He joined the Company as Head (Accounts & Commercial) and had been promoted to Chief Operating Officer on 18th April, 2019 due to his considerable contribution in the improvement of the Company. In view of his experience, knowledge and contribution made in the effective operations of the Company, Mr. Shankar Lal Sharma was appointed as Whole-Time Director w.e.f. 07th January, 2021 to hold office as such till 31st December, 2023.

As per the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 and based on the recommendation of the Nomination & Remuneration Committee, Mr. Shankar Lal Sharma, being eligible for re-appointment is proposed to be re-appointed as Whole-Time Director for a further period of three years commencing from 01st January, 2024 to 31st December, 2026.

The terms and conditions of Re-appointment of Mr. Shankar Lal Sharma are detailed below:

1. Effective date of Appointment:

The appointment will be effective from 01st January, 2024 to 31st December, 2026.

2. Remuneration:

(a) Salary:

- (i) Salary: ₹ 3,37,500/- p.m. (Rupees Three Lakhs Thirty Seven Thousand Five Hundred Only).
- (ii) Special Allowance: ₹ 1,03,875/- p.m. (Rupees One Lakhs Three Thousand Eight Hundred Seventy Five Only).

(b) Perquisites: The Executive Director shall be paid the following perquisites classified into Categories 'A' & 'B'.

Category - 'A':

- (i) House Rent Allowance: ₹ 2,02,500/- p.m. (Rupees Two Lakhs Two Thousand Five Hundred Only).

- (ii) Conveyance Allowance: ₹ 1,600/- p.m. (Rupees One Thousand and Six Hundred Only).
- (iii) Children Education Allowance : ₹ 200/- p.m. (Rupees Two Hundred Only).
- (iv) Other Allowance : ₹ 1,200/- p.m. (Rupees One Thousand and Two Hundred Only).
- (v) Leave Travel Allowance: ₹ 3,15,900/- p.a. (Rupees Three Lakhs Fifteen Thousand Nine Hundred Only).
- (vi) Car: Free use of Company's car for official purpose.
- (vii) Other benefits/reimbursements: As per the Company's policy.

Category - 'B':

- (i) Company's contribution to provident fund as per the Rules of the Company.
- (ii) Gratuity as per Rules of the Company.
- (iii) Encashment of Leave as per Rules of the Company.

3. Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule V of the Companies Act, 2013 as minimum remuneration.

4. Functions

He shall exercise duties and functions as may be delegated/ assigned to him by the Board of Directors/Committee of Directors from time to time.

5. Sitting Fee

He shall not be paid any sitting fee for attending the Meetings of Board or Committee thereof.

6. His period of office shall be subject to retire by rotation whilst holding office of Whole Time Director.

INFORMATION PURSUANT TO PROVISIO (iv) TO CLAUSE (A & B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013.

I. GENERAL INFORMATION:

(1) Nature of industry:-

Manufacturer of Sugar and other allied products.

(2) Date or expected date of commencement of commercial production:-

Company commenced commercial production from January 2001.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:-

Not applicable.

(4) Financial performance based on given indicators:-

(₹ in Lakh)

| Financial Parameters | Financial Years | | |
|--------------------------------|-----------------|------------|------------|
| | 2022-23 | 2021-22 | 2020-21 |
| Turnover | 205,886.93 | 203,434.59 | 181,859.03 |
| Net Profit/(Loss) (before Tax) | 16,496.56 | 17,714.11 | 10,998.93 |

(5) Foreign investments or collaborations, if any:-

Nil

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details:-

Mr. Shankar Lal Sharma is a Chartered Accountant and also holds degree in Bachelor of Commerce. Mr. Sharma is having overall 26 years of experience in different areas like commercial, Accounting, Administration, Production planning, Internal control, Legal, Marketing, Plant operation, Project management, Cost control, Cane management etc. He has a vast experience in various industries viz. Oil, Cement, Paper, Steel and Sugar.

(2) Past remuneration/Recognition or Awards:-

During the financial year 2022-23, he has drawn ₹ 72.56 Lakhs including perquisites as Director's remuneration from the Company.

(3) Job profile and his suitability:-

Subject to the superintendence, control and direction of the Board of Directors of the Company, the Whole Time Director shall have substantial powers of management including day to day affairs of the Company and shall exercise other duties and functions as may be delegated/assigned to him by the Board of Directors/Committees of Directors from time to time.

(4) Remuneration proposed:-

Salary of ₹ 81.00 Lakhs p.a. (including perquisites) and as per the terms and conditions mentioned in Explanatory Statement herein above.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:-

The proposed remuneration is in line with prevailing industry remuneration structure for the similar position.

(6) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other Director, if any:-

Apart from remuneration, Mr. Shankar Lal Sharma does not have any other pecuniary relationship with the Company. Mr. Shankar Lal Sharma is not related with any other managerial personnel or other Directors of the Company.

III. OTHER INFORMATION:

(1) Reasons for loss/inadequate profit:-

The Company is earning profits during the previous financial years. However, the Company has incurred losses in the past. The reasons for losses/inadequate profit were due to several external factors like (a) Irrational fixation of SAP by the State Government, (b) Inadequate availability of sugarcane resulting into lower capacity utilization, (c) Lower Sugar Price resulting into lower sugar sales realization and (d) Reduction in power rates for exportable power in Uttar Pradesh.

(2) Steps taken or proposed to be taken for improvement:-

a) The Company continued to focus on cane development activities, comprising of varietal replacement with proven high sugared varieties, change in pattern of sowing, ratoon management, encouraging

use of Bio – fertilizers, Bio-pesticides, soil testing activities etc. and modern agricultural practices due to which the recovery and crushing has been increased gradually and is expected to further improve in the coming seasons. Apart from these activities, company is further strengthening the cane development activities by way of development of in house agri research centre, integrated pest management programme, soil testing facilities, encouraging use of Bio-fertilizers and Bio-pesticides and training facilities for the farmers & cane development staff.

- b) To improve the financial viability of sugar manufacturing units, Company is providing the baggasse based Co-generation Capacity of 122 MW (64 MW Exportable) by installation of Power Co-Generation facility at all four Sugar Factories. The power produced by our cogeneration plants utilized for running sugar mills and the surplus power have been exported.
- c) Further, the Company has increased the capacity of its Distillery plant from 75 KLPD to 150 KLPD at Barkatpur Unit. The Company has also successfully installed and implemented the incineration boiler at Barkatpur unit to enhance the Distillery capacity of the Company from 450 Lakh BL p.a. to 540 Lakh BL p.a.
- d) Besides this, Company has also established Distillery at Libberheri Unit of the Company with the capacity 50 KLPD.
- e) The Company is also in process of expansion of Barkatpur Distillery by 100 KLPD and enhancement in cane crushing capacity besides steam reduction at Barkatpur, Khaikheri and Libberheri unit of the Company.
- f) Company also installed Potash plant and Co2 plant both at Libberheri and Barkatpur Distillery to utilise By-products/Waste products.

(3) Expected increase in productivity and profits in measurable terms:-

There is adequate production capacity and steps are being taken to improve the cost efficiency.

We wish to further inform you that the impact of the above measures is also reflecting in the Audited accounts of the Company for the financial year under review. These measures are expected to go a long way in improving the performance of the Company.

The above explanatory statement may be treated as a written memorandum setting out the terms of contract of service of Mr. Shankar Lal Sharma under Section 190 of the Companies Act, 2013.

The Board of Directors recommends the resolution as set out in Item No.5 of the Notice for approval of Members by way of Special Resolution.

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

Item No. 6

Being the promoter of the Company, Mr. Raj Kumar Adlakha is associated with the Company w.e.f. 28th July, 1998 and has made considerable contribution in the growth of the Company. His efforts, knowledge and experience have been instrumental in the progress of the Company over the years.

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Raj Kumar Adlakha was appointed as Managing Director w.e.f 01.09.2001 and continued to hold the position of Managing Director in the Company. He was last re-appointed as Managing Director of the Company w.e.f. 01st April, 2021 to 31st March, 2024. As per the provisions of Section 196, 197 and 203 of the Companies Act, 2013 and based on recommendation of the Nomination & Remuneration Committee, Mr. Raj Kumar Adlakha, being eligible for re-appointment is proposed to be re-appointed as Managing Director for a further period of three years commencing from 01st April, 2024 to 31st March, 2027.

The terms and conditions of Re-appointment of Mr. Raj Kumar Adlakha are detailed below:

1. Effective date of Appointment:

The appointment will be effective from 01st April, 2024 to 31st March, 2027.

2. Remuneration:

a. Salary: ₹ 4,08,00,000/- (Rupees Four Crores and Eight Lakhs Only) per annum consisting of monthly payment of ₹ 34,00,000/- (Rupees Thirty Four Lakhs Only) per month.

b. Perquisites: In addition to above remuneration, the Managing Director shall also be entitled to perquisites like gas, electricity, water and furnishings, medical reimbursement, club fees, medical insurance etc. in accordance with the rules of the Company subject to maximum of ₹ 2,00,000/- (Rupees Two Lakhs Only) per month.

Note:

The incumbent shall also be entitled to the following benefits/perquisites, however the same will not be included in the computation of ceiling on minimum remuneration specified herein above.

- i) Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the provisions of the Income Tax Act, 1961.
- ii) Gratuity: One half month's salary for each completed year of service in accordance with the rules of the Company.
- iii) Encashment of leave at the end of the tenure as per the policy of the Company.
- iv) Provision of car for use on Company's business and telephone at residence will also not be considered as perquisites. Personal long distance calls and use of car for private purpose shall however be billed by the Company to the Managing Director.

Explanation:

The value of Perquisites shall be determined as per Income Tax Rules, 1962, wherever applicable and in the absence of any such rule, perquisites will be evaluated at actual cost.

- c. **Commission:** In addition to above remuneration (Salary and Perquisites), the Managing Director shall also be entitled to commission not exceeding 4% of the net profits of the Company as may be decided by the Board of Directors of the Company. The amount of commission will become accrue once the financial statements are audited and duly approved by the Board of Directors of the Company.

3. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are

(4) Financial performance based on given indicators:-

(₹ in Lakh)

| Financial Parameters | Financial Years | | |
|--------------------------------|-----------------|------------|------------|
| | 2022-23 | 2021-22 | 2020-21 |
| Turnover | 205,886.93 | 203,434.59 | 181,859.03 |
| Net Profit/(Loss) (before Tax) | 16,496.56 | 17,714.11 | 10,998.93 |

(5) Foreign investments or collaborations, if any:-

Nil

inadequate, the Company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule V of the Companies Act, 2013 as minimum remuneration.

4. Functions

Subject to the superintendence, control and direction of the Board of Directors of the Company, the Managing Director shall have substantial powers of management including day to day affairs of the Company and shall exercise other duties and functions as may be delegated/assigned to him by the Board of Directors/Committee of Directors from time to time.

5. Sitting Fee

He shall not be paid any sitting fee for attending the Meetings of Board or Committees thereof.

6. His period of office shall be subject to retire by rotation whilst holding office of Managing Director.

INFORMATION PURSUANT TO PROVISIO (iv) TO CLAUSE (A & B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013.**I. GENERAL INFORMATION:**

(1) Nature of industry:- Manufacturer of Sugar and other allied products.

(2) Date or expected date of commencement of commercial production:-

Company commenced commercial production from January 2001.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable.

II. INFORMATION ABOUT THE APPOINTEE:**(1) Background details:-**

Mr. Raj Kumar Adlakha aged 67 years holds Engineering Degree B.E. (Mech.) and has more than 44 years of industrial experience in managing the operations of industrial under-takings. He

started his career in 1979 by joining his family business of manufacturing parts for sugar mill machinery and expanded the business to carry out turnkey sugar mill projects. He was instrumental in setting up of our four sugar manufacturing units. Under his leadership, the Company has made remarkable progress.

NOTICE OF AGM

(2) Past remuneration:-

During the financial year 2022-23, he has drawn ₹ 1,119.80 Lakhs including perquisites and commission as remuneration from the Company.

(3) Recognition or awards:-

Mr. Raj Kumar Adlakha was awarded Udyog Ratna Award "Involvement in Economic Development of Uttaranchal" on July 08, 2005 on the Centenary Celebrations of PHD Chamber of Commerce and Industry.

(4) Job profile and his suitability:

Subject to the superintendence, control and direction of the Board of Directors of the Company, the Managing Director shall have substantial powers of management including day to day affairs of the Company and shall exercise other duties and functions as may be delegated/assigned to him by the Board of Directors/Committees of Directors from time to time.

(5) Remuneration proposed:-

Salary of ₹ 34,00,000/- p.m. and perquisites upto ₹ 2,00,000/- p.m. In addition to remuneration (Salary and Perquisites), the Board of Directors of the Company may decide the amount of commission payable in any financial year to Mr. Raj Kumar Adlakha upto 4% of the net profits of the Company.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:-

The proposed remuneration is in line with prevailing industry remuneration structure for the similar position.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other Director, if any:-

Apart from remuneration, Managing Director will be receiving dividends, if any, declared by the Company in respect of Shares held by him. Mr. Raj Kumar Adlakha is not related to any other managerial personnel or other Directors of the Company.

III. OTHER INFORMATION:

(1) Reasons for loss/inadequate profit:-

The Company is earning profits during the previous financial years. However, the Company has incurred losses in the past. The reasons for losses/inadequate profit were due to several external factors like (a) Irrational fixation of

SAP by the State Government, (b) Inadequate availability of sugarcane resulting into lower capacity utilization, (c) Lower Sugar Price resulting into lower sugar sales realization and (d) Reduction in power rates for exportable power in Uttar Pradesh.

(2) Steps taken or proposed to be taken for improvement:-

- a) The Company continued to focus on cane development activities, comprising of varietal replacement with proven high sugared varieties, change in pattern of sowing, ratoon management, encouraging use of Bio – fertilizers, Bio-pesticides, soil testing activities etc. and modern agricultural practices due to which the recovery and crushing has been increased gradually and is expected to further improve in the coming seasons. Apart from these activities, company is further strengthening the cane development activities by way of development of in-house agri research centre, integrated pest management programme, soil testing facilities, encouraging use of Bio-fertilizers and Bio-pesticides and training facilities for the farmers & cane development staff.
- b) To improve the financial viability of sugar manufacturing units, Company is providing the baggasse based Co-generation Capacity of 122 MW (64 MW Exportable) by installation of Power Co-Generation facility at all four Sugar Factories. The power produced by our cogeneration plants utilized for running sugar mills and the surplus power have been exported.
- c) Further, the Company has increased the capacity of its Distillery plant from 75 KLPD to 150 KLPD at Barkatpur Unit. The Company has also successfully installed and implemented the incineration boiler at Barkatpur unit to enhance the Distillery capacity of the Company from 450 Lakh BL p.a. to 540 Lakh BL p.a.
- d) Besides this, Company has also established Distillery at Libberheri Unit of the Company with the capacity 50 KLPD.
- e) The Company is also in process of expansion of Barkatpur Distillery by 100 KLPD and enhancement in cane crushing capacity besides steam reduction at Barkatpur, Khaikheri and Libberheri unit of the Company.

- f) Company also installed Potash plant and Co2 plant both at Libberheri and Barkatpur Distillery to utilities by products/waste products.

(3) Expected increase in productivity and profits in measurable terms:-

There is adequate production capacity and steps are being taken to improve the cost efficiency.

We wish to further inform you that the impact of the above measures is also reflecting in the Audited accounts of the Company for the financial year under review. These measures are expected to go a long way in improving the performance of the Company.

The above explanatory statement may be treated as a written memorandum setting out the terms of contract of service of Mr. Raj Kumar Adlakha under Section 190 of the Companies Act, 2013.

The Board of Directors recommends the resolution as set out in Item No.6 of the Notice for approval of Members by way of Special Resolution.

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

Item No. 7

The Board on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of

M/s M.K. Singhal & Co., the Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2023-24 as per the following details:

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

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 as amended upto date, the remuneration payable to the Cost Auditors for the Financial Year 2023-24 is to be ratified by the shareholders by way of an Ordinary Resolution.

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

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

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

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

Place : Noida

Date : 11th August, 2023

Registered Office:

Village Libberheri, Tehsil Roorkee,
Distt.Haridwar, Uttarakhand.
CIN: L99999UR1993PLC032518
Website: www.uttamsugar.in

DIRECTORS' REPORT

**To
The Shareholders of the Company,**

Your directors take pleasure in presenting this Twenty Eighth Annual Report together with the Audited Annual Financial Statements for the year ended 31st March, 2023.

FINANCIAL RESULTS

The financial results of the Company for the year ended on 31st March, 2023 are as under:-

| PARTICULARS | (₹ in Lakhs) | |
|---|--------------------------|--------------------------|
| | Year ended 31.03.2023 | Year ended 31.03.2022 |
| Revenue from Operations | 2,05,886.93 | 2,03,434.59 |
| Profit before Depreciation & Tax | 20,122.85 | 21,035.10 |
| Less: | | |
| Depreciation | 3,626.29 | 3,320.99 |
| Profit before Tax | 16,496.56 | 17,714.11 |
| Less: Provision for Taxation | | |
| Current Tax | 3,700.00 | - |
| Deferred Tax | 434.42 | 4,222.09 |
| Profit after Tax | 12,362.14 | 13,492.02 |
| Total Other Comprehensive Income/(Loss) | 21.87 | 55.25 |
| Profit for the year | 12,384.01 | 13,547.27 |
| Add: Balance brought forward from Previous Year | 22,143.75 | 13,051.95 |
| Less: Amount transferred to Capital Redemption Reserve on redemption during the year | | |
| i) 199000 (2973300 in FY 2021-22) 6.50% Non-Cumulative Redeemable Preference Shares | 199.00 | 2,973.30 |
| ii) 218700 (417000 in FY 2021-22) 10% Non-Cumulative Redeemable Preference Shares | 218.70 | 417.00 |
| Less : Impact of redemption of Preference Shares out of opening retained earning | 208.08 | 1,065.17 |
| Less: | | |
| i) Equity Dividend paid out of retained earnings | 762.76 | - |
| ii) Preference Dividend paid out of retained earnings | 48.04 | - |
| Surplus transferred to Balance Sheet | 33,091.17 | 22,143.75 |

DIVIDEND

Your directors recommended a dividend at the prescribed rate on 6.50% Non-Cumulative Redeemable Preference shares and on 10.00% Non-Cumulative Redeemable Preference shares and 25% i.e. ₹2.50 per Equity Share of ₹10/- each, for the year ended 31st March 2023, which is subject to the approval of Shareholders at the ensuing Annual General Meeting of the Company. The dividend, if approved at the forthcoming Annual General Meeting will be paid to Members whose names appear in the Register of Members as on Friday, 15th September, 2023.

PERFORMANCE OF THE COMPANY

Revenue from Operation during the year under review was

₹ 2,05,886.93 Lakhs as compared to ₹ 2,03,434.59 Lakhs in the previous financial year.

EBITDA during the year under review was ₹ 25,362.67 Lakhs as compared to EBITDA of ₹ 28,527.55 Lakhs during previous FY, 11.09% lower EBITDA as compared to previous FY is on a count of higher average cane cost besides lower valuation of Sugar Stock.

Earning before tax during the year under review was at ₹ 16,496.56 Lakhs when viewed in conjunction with that of the previous FY ₹ 17,714.11 Lakhs.

Earnings after tax during the year under review was at ₹ 12,362.14 Lakhs, as compared to the earnings after tax of previous FY of ₹ 13,492.02 Lakhs.

REVIEW OF OPERATIONS

Sugar Division

Operational data of the Company for the financial year 2022-23 and 2021-2022 are as under:-

| Financial Year | Cane crushed (In Lakhs Qtls.) | Sugar produced (In Lakhs Qtls.) | Recovery % |
|----------------|-------------------------------|---------------------------------|------------|
| 2022-23 | 424.60 | 44.88 | 10.57 |
| 2021-22 | 373.16 | 41.31 | 11.07 |

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

| Crushing Season | Cane crushed (In Lakhs Qtls.) | Sugar produced (In Lakhs Qtls.) | Recovery % |
|-----------------|-------------------------------|---------------------------------|------------|
| 2022-23 | 432.04 | 44.74 | 10.36 |
| 2021-22 | 382.75 | 41.98 | 10.97 |

Note: Average recovery consisting with syrup/BHy/CHy.

Major Highlights of FY 2022-23 and of SS 2022-23

- Highest-ever sugarcane crushing at 432.04 Lakhs quintals in the Sugar Season (SS) 2022-23 as against 382.75 Lakhs quintals in SS 2021-22, an increase of around 13% over the previous season on account of better yield & less diversion of cane in kolhu/crusher because of lower rate of Jaggery.
- During the SS 2022-23 sugar production was 44.74 Lakhs quintals as against 41.98 Lakhs qtls in SS 2021-22.
- Company has crossed total revenue of more than ₹ 2000 crores and PAT of more than ₹ 120 crores in previous two years.
- Sugarcane crushing in FY 2022-23 increased by around 14% y-o-y at 424.60 Lakhs Qtls as against 373.16 Lakhs Qtls.
- Net Recovery of Sugar during the season was 10.36% in SS 2022-23 as against 10.97% in SS 2021-22 with B Hy molasses/syrup.
- Highest-ever Alcohol production of 5.50 crore litres, an increase of 8% over previous year due to additional capacities as compared to previous financial year.
- During the SS 2022-23, all plants of company were operated on B Hy molasses and on syrup.
- Higher quantity of Bagasse saved as compared to previous season on account of muddy juice application on mills besides better capacity utilisation.

- The company has substantially reduced the Groundwater extraction during the current sugar season as compared to earlier season.
- Company has planned further expansion of Distillery capacities from 200 KLPD to 300 KLPD besides working on energy efficiencies and consequently improvement in Crushing Capacity.

The Company registered a gross turnover of Sugar of ₹ 1,65,520.13 Lakhs for the year ended 31st March, 2023 against ₹ 1,63,290.23 Lakhs for the year ended 31st March, 2022– an increase of gross turnover by 1.37%. **The net sales realization of Sugar was at ₹ 3592 per qtl during Current year ended 31st March, 2023** as against ₹ 3475 per qtl during the previous year ended 31st March, 2022.

Net Sales Realization for Domestic sales were ₹ 3638/- per qtl as against ₹ 3542/- per qtl and in case of Export sales net Realization during 2022-23 were ₹ 3497/- per qtl as against ₹ 3219/- per qtl in previous financial year. During the year export sales was 33% of total sales as against 21% in previous financial year.

During the current season, the Company commenced its crushing in Barkatpur and Khaikheri in 4th week of October 2022 and in other 02 units i.e., Libberheri & Shermau in 2nd week of November 2022. The results in terms of recovery were slightly on lower side as compared to previous season mainly due to climatic changes besides longer season.

The Company's aggregate sugar cane crushing were 432.04 Lakhs qtls during the season 2022-23 as against 382.75 Lakhs qtls in 2021-22. The Company had a recovery of 10.36% as against 10.97% in previous season.

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

The Uttar Pradesh and Uttarakhand Government has announced State Advised Price (SAP) for sugarcane at ₹340/- per qtl (₹ 350/- per qtl for early variety) and ₹345/- per qtl (₹ 355/- per qtl for early variety) respectively for season 2022-23 likely it was in season 2021-22. However

DIRECTORS' REPORT

the FRP for the SS 2022-23 announced ₹ 305/- qtl at base recovery of 10.25% as against ₹ 290/- qtl at base recovery of 10%.

Govt. of India has decided to allow export of sugar up to 6 Million Tonnes with effect from 01.11.2022 to 31.05.2023 and accordingly we have been allotted 78849 Tonnes under MAEQ for Export and already dispatched the total allotted quantity.

Co-generation Division

During the period under review, your company produced 2,892.69 Lakhs KWH of power as compared to 2,876.70 Lakhs KWH of power in the year 2021-2022. Out of total production, your company exported 1,504.02 Lakhs KWH to UPPCL/UPCL for a total amount of ₹ 6040 Lakhs against 1452.22 Lakhs KWH for an amount of ₹ 5711 Lakhs in the previous year. The main reason of increase in power revenue is due to higher unit of power exported and increase in rate as compare to previous financial year.

Distillery Division

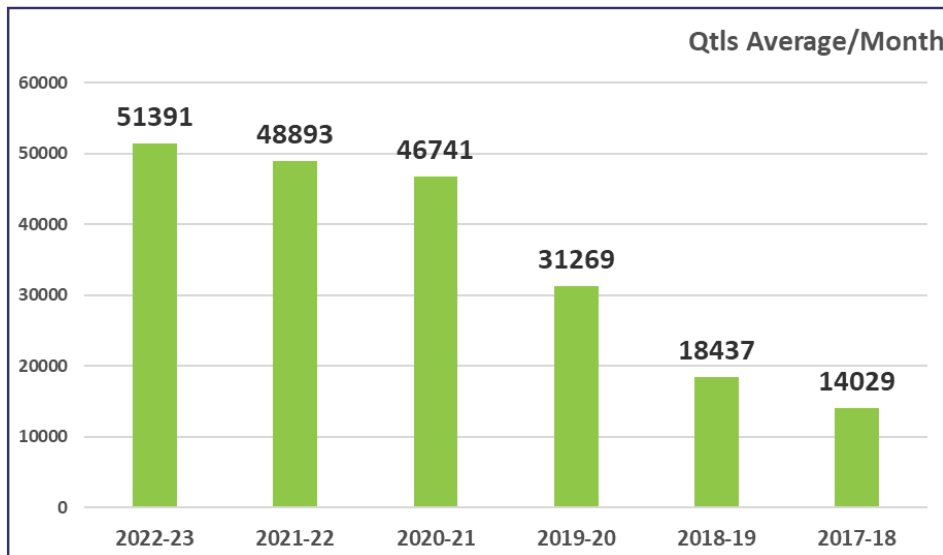
Your company has two Distilleries with an installed capacity of 200 KLPD [(150 KLPD at Barkatpur (Distt. Bijnor) in the State of Uttar Pradesh and 50 KLPD Libberheri (Distt. Haridwar) in the State of Uttarakhand].

During the year under review 550.43 Lakhs bulk litres (BL) of industrial alcohol produced as compared to 506.15 Lakhs bulk litres in the year 2021-22 and your company sold 545.20 Lakhs bulk litres industrial alcohol (including Ethanol) as compared to 521.59 Lakhs bulk litres in the previous financial year.

CO₂ gas sold of 51.29 Lakhs kg amounting to ₹ 135.00 Lakhs during the Year as compared to sales of 31.12 Lakhs kg amounting to ₹ 79.00 Lakhs in the previous year ended 31st March 2022.

During the year under review 61.91 Lakhs kg of Potash amounting to ₹ 115 Lakhs sold as against 9.64 Lakhs kg amounting to ₹ 23 Lakhs in previous financial year.

Performance of Branded/Specialty Sugar Division during the last 06 Financial Year (Average/month):-



From the above table, continuous growth being observed in the segment. Our presence is increasing in all the sector like in General Trade, Modern Trade, HORECA, various companies etc. During the financial year 2022-23, 5.11% growth were observed as compared to previous financial year.

The Indian Sugar industry review

The Indian Sugar Season 2022-23 was characterized by few landmark statistics such as-

a) All India Sugar Production in SS 2022-23 is estimated at 323 lakh tonnes production as against 353 Lakhs tonnes in SS 2021-22 is lower mainly due to impact in yield due to adverse weather conditions specifically in Maharashtra.

b) During the Season, in Maharashtra sugar production substantially reduced at 105 Lakhs tonnes as against 137 Lakhs tonnes in previous season.

c) Uttar Pradesh, Karnataka, and Maharashtra together contribute to more than 80% of the total sugarcane production in India.

d) Govt. of India has decided to allow export of sugar up to 6 Million Tonnes with effect from 01.11.2022 to 31.05.2023 and almost above total quantity dispatched.

e) The average blending percentage of ethanol is 11.74 % till June, 2023. The target is to reach 12% blending in ESY 2022-23, 15% in 2023-24 and 20% in 2024-25.

- f) During the SS 2022-23, the SAP remains same at ₹ 340/- qtl and ₹ 345/- qtl in the state of Uttar Pradesh and Uttarakhand respectively (Early variety ₹ 350/- qtl and ₹ 355/- qtl respectively).
- g) FRP for SS 2022-23, finalised at ₹ 305/- Qtl at basic recovery of 10.25%, premium of ₹ 3.05/- qtl for each 0.1% increase in recovery over and above 10.25%.
- h) FRP for SS 2023-24 fixed at ₹ 315/- qtl for basic recovery rate of 10.25%, premium of ₹ 10.25%, premium of ₹ 3.07/- qtl approved for recovery every 0.1% increase.
- i) The intervention of the Government needed for the industry with respect to MSP which needs to be increased from ₹ 3100/- qtl as cost of production is very high as compare to MSP.

The Indian Ethanol industry review

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

Achieving energy security and the transitioning to a thriving low carbon economy is critical for a growing nation like India. Blending locally produced ethanol with petrol will help India strengthen its energy security, enable local enterprises and farmers to participate in the energy economy and reduce vehicular emissions. The Government of India notified the National Policy on Biofuels – 2018 (NPB–2018) on 4.06.2018 wherein, under the Ethanol Blended Petrol (EBP) Program, an indicative target of 20% blending of ethanol in petrol by 2025 was laid out.

The India Ethanol market has reached around 500 Crore liters in FY2023. The Indian Ethanol market is projected to expand swiftly in the forecast period on the back of increased Ethanol consumption in fuel additives and beverages. Moreover, major investments made by the Government of India towards converting excess sugar to Ethanol, further strengthened by the government's vision to create an Ethanol Economy will accelerate the Ethanol demand in the forecast period.

With the start of National Biofuel Policy 2018, which has put forth an Ethanol blending target of 10% by 2022 and 20% by 2025, Ethanol demand is set to grow by leaps and bounds in the period of forecast. Over the past five years, the Indian government has been encouraging Ethanol

capacity expansion to cut its dependency on imported crude oil and channelize the excess sugar inventories into Ethanol production. These factors will further propel the growth of the Ethanol market in India and reach a figure of approximately 1000 crore liters by FY2025.

Around 40.30 Lakhs metric tonnes of Sugar is expected to be diverted, in ethanol in ESY 2022-23, out of 40.30 Lakhs MT around, 20.55 Lakhs MT sugar be diverted in ethanol from Sugar-cane juice & 19.75 Lakhs MT sugar be diverted through B Hy molasses. In totality around 12.48% of sugar production be diverted in ethanol manufacturing.

Your company has also diverted 5.70 Lakhs qtls of sugar for ethanol manufacturing, which is around 12.74% of sugar production.

By 2025, at 20% blending level, ethanol demand will increase to 1016 crore litres. Therefore, the worth of the ethanol industry will jump by over 500% from around ₹ 9,000 crore to over ₹ 50,000 crore.

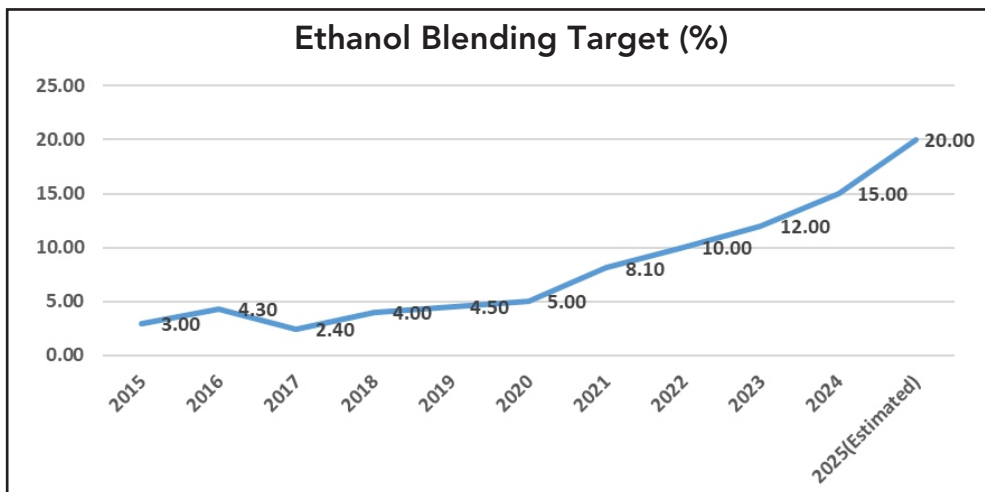
As per the Roadmap prepared by NITI Aayog which is based on the projected sale of petrol, the estimated requirement of ethanol for blending with petrol is 542 crore litres for ESY 2022-23, 698 crore litres for ESY 2023-24, 988 crore litres for ESY 2024-25 and 1016 crore litres for ESY 2025-26.

The programme gives sugarcane farmers an additional source of income. During the last eight years, ethanol suppliers have earned ₹81,796 crore while farmers have got ₹49,078 crore. The country saved ₹ 53,894 crore in foreign exchange outgo. Also, it led to reduction of 318 lakh tonnes of carbon-dioxide (CO₂) emissions.

- ✓ Ethanol blending target % under EBP scheme chart from 2015 is as below:

| Year | Blending Rate (%) |
|-------|-------------------|
| 2015 | 3.00 |
| 2016 | 4.30 |
| 2017 | 2.40 |
| 2018 | 4.00 |
| 2019 | 4.50 |
| 2020 | 5.00 |
| 2021 | 8.10 |
| 2022 | 10.00 |
| 2023* | 12.00 |
| 2024* | 15.00 |
| 2025* | 20.00 |

*(Estimated)



- ✓ The Central Govt. has increased the price of Ethanol for ESY 2022-23:
 - ⇒ Price of Ethanol from C hy Molasses increased from ₹46.66 to ₹49.41 Per litre.
 - ⇒ Price of Ethanol from B hy Molasses increased from ₹59.08 to ₹ 60.73 Per litre.
 - ⇒ Price of Ethanol from Sugar cane Juice/Sugar/ Sugar Syrup increased from ₹ 63.45 to ₹ 65.61 Per litre.
 - ⇒ Price of Ethanol from Damaged food grain Increased from ₹ 52.52 to ₹ 55.54 Per litre.
 - ⇒ Price of Ethanol from FCI Rice – ₹ 58.50 per litre.
 - ⇒ Price of Ethanol Maize increased from ₹ 52.52 to ₹ 56.35 Per litre.

GST and Transport rate extra. Further, during the current ESY, transport rates are also rationalized.

SHARE CAPITAL

The paid-up equity share capital of the Company as at 31st March, 2023 stood as ₹ 38.14 Crores. During the year under review, the Company has not issued any Shares including shares with Differential Voting Rights/ Stock Options/Sweat Equity etc. Further, during the year under review the Company had redeemed 1,99,000 6.50% Non-Cumulative Redeemable Preference shares and 2,18,700 10.00% Non-Cumulative Redeemable Preference shares as per the terms of the issue.

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. There were no unclaimed or unpaid deposits at the end of Financial Year i.e. 31st March, 2023.

DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP)

Retirement by Rotation

Mr. Shankar Lal Sharma, Whole Time Director (DIN: 09018381) of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Mr. Shankar Lal Sharma as Director in the ensuing AGM of the Company.

Changes in the Board/KMP (Appointment and Resignation)

During the year under review, Mr. Ravi Kumar has been appointed as an Additional cum Independent Director on the Board of the Company w.e.f. 10th August, 2022. In compliance of Sections 149 and 160 of the Companies Act, 2013, at the 27th Annual General Meeting held on 23rd September, 2022, Mr. Ravi Kumar has been regularized by shareholders to hold office for a period of five years commencing from 10th August, 2022 to 09th August, 2027.

Further, Mr. Gopalaiyer Ramarathnam ceased to be Chief Legal and Corporate Affairs & Company Secretary of the Company due to his sudden demise on 10th January, 2023. The Board places on record its deep appreciation for the contributions of Mr. Gopalaiyer Ramarathnam during his tenure.

Accordingly, Mr. Rajesh Garg, Joint Company Secretary & Compliance Officer has been designated as Company Secretary & Compliance Officer of the Company w.e.f 11th February, 2023.

There are no other changes taken place in the Board during the year under review.

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

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

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

Brief profile of Mr. Shankar Lal Sharma, Whole Time Director and Mr. Raj Kumar Adlakha, Managing Director, proposed to be re-appointed and their Qualifications, Experience alongwith the name of Listed Companies in which they hold the Directorship and Listed Companies in which they hold Chairmanship/membership of the Committees of the Board, as stipulated under Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings are given as Annexure to the Notice convening the Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. in the preparation of the Annual Accounts for the year ended 31st March, 2023, the applicable Accounting Standards have been followed along with proper explanation relating to material departures; if any;
- ii. they have selected appropriate accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profits of the Company for the year ended on that date;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a 'going concern' basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

Pursuant to the applicable provisions of the Act, the members of the Company at their 27th Annual General Meeting held on 23rd September, 2022, appointed M/s B.K. Kapur & Co., Chartered Accountants (FRN: 000852C) as Statutory Auditors of the Company for a term of five

consecutive years from the conclusion of 27th Annual General Meeting (AGM) till the conclusion of 32nd AGM to be held in the year 2027.

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

Clarification on Auditors' Observations

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

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

COST AUDITORS

As per the requirements of the Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained. The Board on the recommendation of the Audit Committee has re-appointed M/s M. K. Singhal & Company (Firm Regn. No. 00074), Cost Accountants, to audit the Cost Accounting records relating to Sugar, Co-generation and Ethanol Distillery for the Financial Year 2023-24.

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

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, amended upto date and other applicable provisions, if any, M/s N. K. Rastogi & Associates (Mem. No. 3685),

DIRECTORS' REPORT

Practicing Company Secretaries has conducted the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report for the financial year ended 31st March, 2023 is attached and marked as "**Annexure-I**" and forms part of the Board's Report. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

MEETINGS

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

AUDIT COMMITTEE

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

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rules made thereunder, the draft Annual Return of the Company for the Financial Year 31st March, 2023 is uploaded on the website of the Company i.e. www.uttamsugar.in and can be accessed at http://www.uttamsugar.in/adminpanel/product_image/21adc535dc1e774aaee2a2794a6656f5MGT_PDF.pdf

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rules made thereunder and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a Vigil Mechanism/Whistle Blower Policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any. The Policy allows the whistle-blowers to have direct access to the Chairman of the Audit Committee and also protects them from any kind of discrimination or harassment. The aforesaid policy can be accessed on the Company's website i.e. www.uttamsugar.in and weblink of the same is http://www.uttamsugar.in/adminpanel/product_image/c077866187df2f8017c804ecf707c5c1WHISTLE%20BLOWER%20&%20VIGIL%20MECHANISM.pdf

NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Company has in place Nomination & Remuneration Committee and the details of terms of reference, composition, number & dates of meetings held, attendance and other details are given separately in the attached Corporate Governance Report.

The Board on the recommendation of Nomination & Remuneration Committee framed a policy i.e. Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and their remuneration, including criteria for determining qualifications, positive attributes, independence of a director. The aforesaid policy can be accessed on the Company's website i.e. www.uttamsugar.in and weblink of the same is http://www.uttamsugar.in/adminpanel/product_image/ee030138099f100ee0c47796b94234a3Nomination%20and%20Remuneration%20Policy.pdf

BOARD EVALUATION

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

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

CREDIT RATING

Details of Credit Ratings assigned to the Company are given in the Corporate Governance Report

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

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

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

All related party transactions entered during the year are negotiated on an arms-length basis and are in

the ordinary course of business. There have been no materially significant related party transactions entered by the Company with the promoters, directors and key managerial personnel of the Company. Further, the suitable disclosure as required in IND AS-24 regarding Related Party Transactions has been made in the notes to financial statements. The Company's policy for Related Party Transactions is available on Company's website i.e. www.uttamsugar.in and weblink of the same is http://www.uttamsugar.in/adminpanel/product_image/75a4453036148e2695b605fa182bc676Policy%20on%20Related%20Party%20Transactions.pdf

PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached with this Report and marked as **"Annexure-II"**. During the year under review, no complaint / case was filed or was pending for redressal pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

COMPLIANCE OF SECRETARIAL STANDARDS OF ICSI

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

INTERNAL FINANCIAL CONTROLS

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

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility (CSR) Committee. The details of composition of CSR committee are given in the Corporate Governance Report attached hereto. The CSR Committee has framed and finalised the CSR policy of the Company which was duly approved by the Board. The CSR policy of the Company can be accessed on the Company's website i.e. www.uttamsugar.in and weblink of the same is http://www.uttamsugar.in/adminpanel/product_image/b5ac1a2f7751acec33bc5bdaca94a1f0Corporate%20Social%20Responsibility%20Policy.pdf

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

RISK MANAGEMENT POLICY

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

The Company has also in place Risk Management policy to identify and evaluate business risk and opportunity of Risk Management to minimize the adverse impact on business objectives and enhancement of company's competitive advantage. The policy facilitates to identify the risk at appropriate time and necessary steps to be taken to mitigate the risk. The detailed risk analysis and their mitigation are given in the Management Discussions and Analysis Report.

DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of the SEBI Listing Regulations, the top 1000 listed entities, determined on the basis of market capitalization, have to frame Dividend Distribution Policy. Accordingly, the Company has already adopted a Dividend Distribution Policy which is available on the website of the Company i.e. www.uttamsugar.in and weblink of the same is http://www.uttamsugar.in/adminpanel/product_image/82a901ccdab826d78c93744c4ef9971aUTTAM%20SUGAR%20MILLS%20LIMITEDDDP.pdf

SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

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

DIRECTORS' REPORT

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

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31st March, 2023 and the date of this Report.

CHANGE IN THE NATURE OF BUSINESS

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

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

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

Business Responsibility & Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective forms part of this Report and marked as "Annexure-V".

CORPORATE GOVERNANCE

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

obtained from a Practicing Company Secretary pursuant to the said Regulations.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

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

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

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

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

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENT

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

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

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

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

Place : Noida

Date : 11th August, 2023

(Annexure – I)**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023****[Pursuant to section 204(1) of the Companies Act, 2013 and Rule****9 of the Companies (Appointment and Remuneration of Managerial Personnel)****Rules, 2014 and Regulation 24A of SEBI (LODR) Regulations, 2015 read with the guidance note of the Institute of Company Secretaries of India]**

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Uttam Sugar Mills Limited (CIN: L99999UR1993PLC032518)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on March 31st, 2023 complied with the Statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31st, 2023 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable as the Company has not issued any shares during the year);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable during the year under review);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable during the year under review);**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable during the year under review);**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable during the year under review) ;**

SECRETARIAL AUDIT REPORT

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable during the year under review) ;**
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable during the year under review) ;**
 - (j) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ; and
 - (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Laws specifically applicable to the industry to which the Company specifically belongs, as identified by the management are:-

Sugar

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

Co-Generation of Power

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

Industrial Alcohol

Cost Accounting Records (Industrial Alcohol) Rules, 1997.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at the Board Meetings and Committee Meetings were taken unanimously and are captured and recorded as part of the minutes.

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

We further report that during the audit period following major events have happened in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:-

- a) The Company had declared the final dividend on 6.50% Non-Cumulative Redeemable Preference Shares (NCRPS) of Face Value of ₹ 100/- (Rupees One Hundred Only) for the Financial Year 2021-22.
- b) The Company had declared the final dividend on 10.00% Non-Cumulative Redeemable Preference Shares (NCRPS) of Face Value of ₹ 100/- (Rupees One Hundred Only) for the Financial Year 2021-22.
- c) The Company had declared the final dividend of ₹ 2.00 per equity share of face value of ₹ 10 each for the Financial Year 2021-22.
- d) The Company redeemed 1,99,000 6.50% Non-Cumulative Redeemable Preference shares and 2,18,700 10.00% Non-Cumulative Redeemable Preference shares.

Besides above, the company has not undertaken any other major activities like;

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

Disclosure

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

For N. K. Rastogi & Associates
Company Secretaries

Naveen Kumar Rastogi

FCS No. 3685

C. P. No. 3785

Proprietor

Place : Delhi

Date : 11th August, 2023

UDIN: F003685E000783981

Annexure – A

**[Annexure to the Secretarial Audit Report of M/s. Uttam Sugar Mills Limited
for the Financial Year ended 31st March, 2023]**

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

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

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

Place : Delhi

Date : 11th August, 2023

UDIN: F003685E000783981

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

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

- (a) The median remuneration of employees of the Company during the financial year was ₹ 3.48 Lakhs. The ratio of the remuneration of each Director to the Median Remuneration of the employees of the Company for the financial year 2022-23 are as under:

| Directors | Designation | Remuneration of Directors in Financial Year 2022-23 (₹ In Lakhs) | Ratio of Remuneration of each Director to the Median Remuneration of Employees |
|----------------------------|--|--|--|
| Mr. Raj Kumar Adlakha | Managing Director | 1119.80 | 321.56 |
| Mr. Shankar Lal Sharma | Whole-Time Director | 72.56 | 20.84 |
| Mr. Gurbachan Singh Matta | Non-Executive Non-Independent Director | 13.65 | 3.92 |
| Mr. Narendra Kumar Sawhney | Independent Director | 13.65 | 3.92 |
| Mrs. Rutuja Rajendra More | Independent Director | 13.25 | 3.80 |
| Mr. Jasbir Singh | Independent Director | 13.65 | 3.92 |
| Mr. Ravi Kumar | Independent Director | 4.71 | 1.35 |

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

| Name of Person | Designation | Remuneration of Directors, CFO & CS in Financial Year 2022-23 (₹ in Lakhs) | Remuneration of Directors, CFO & CS in Financial Year 2021-22 (₹ in Lakhs) | % Increase/ (Decrease) in remuneration |
|----------------------------|--|--|--|--|
| Mr. Raj Kumar Adlakha | Managing Director | 1119.80 | 612.96 | 82.69 |
| Mr. Shankar Lal Sharma | Whole-Time Director | 72.56 | 71.42 | 1.59 |
| Mr. Gurbachan Singh Matta | Non-Executive Non-Independent Director | 13.65 | 13.75 | (0.73) |
| Mr. Narendra Kumar Sawhney | Independent Director | 13.65 | 13.75 | (0.73) |
| Mrs. Rutuja Rajendra More | Independent Director | 13.25 | 13.25 | - |
| Mr. Jasbir Singh | Independent Director | 13.65 | 13.75 | (0.73) |
| Mr. Ravi Kumar* | Independent Director | 4.71 | - | NA |
| Mr. Sanjay Bhandari | Chief Financial Officer | 71.40 | 65.64 | 8.78 |
| Mr. Rajesh Garg | Company Secretary and Compliance Officer | 38.79 | 35.18 | 10.28 |

*Mr. Ravi Kumar has been appointed w.e.f 10.08.2022, hence, his remuneration is not comparable.

- (c) The percentage increase in the Median Remuneration of employees in the financial year was 2.04%.
- (d) The number of permanent employees on the rolls of Company: The number of permanent employees including permanent workers on the rolls of Company as on 31st March, 2023 was 744 (Other than Seasonal employees and Contractual Labour).
- (e) Average percentage increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentage increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

PARTICULARS OF EMPLOYEES

The average increase in the salaries of employees in 2022-23 was 8.65%. Percentage increase in the Managerial Remuneration for the year was 61.58%. The payment of remuneration to Managerial Personnel was keeping in view the limits as laid down in the Companies Act, 2013 read with rules made thereunder and as per the approval given by the shareholders of the company in General Meeting. The increase in the remuneration of employees was in line with the HR policy of the Company.

(f) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms that the remuneration paid during the year was as per the Remuneration Policy of the Company.

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

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

| S No. | Name of Employee(s) | Remuneration Drawn (₹ In Lakh) | Designation | Nature of Employment | Qualification | Experience | Age in Years | Date of Commencement of Employment | Last Employment | Equity Share held (%) |
|-------|--------------------------|--------------------------------|--|----------------------|---|------------|--------------|------------------------------------|----------------------------------|-----------------------|
| 1 | Mr. Raj Kumar Adlakha | 1119.80 | Managing Director | Permanent | B.E. (Mech.) | 44 | 67 | N.A. | N.A. | 1624610 (4.26%) |
| 2 | Mr. Shankar Lal Sharma | 72.56 | Whole Time Director | Permanent | B.Com, C.A. | 26 | 49 | 04.07.2013 | Bhushan Steel Limited | Nil |
| 3 | Mr. Sanjay Bhandari | 71.40 | Chief Financial Officer | Permanent | C.A. | 37 | 57 | 27.01.2007 | Willard India Ltd. | Nil |
| 4 | Mr. Narpal Singh | 65.62 | Joint President – Barkatpur Unit | Permanent | B.A | 38 | 62 | 04.06.2018 | Oudh Sugar Mills Ltd. | Nil |
| 5 | Mr. Lokendra Singh Lamba | 51.25 | Sr. Vice President - Libberheri Unit | Permanent | B. Sc. (Ag.), Dip. In Comp. Application | 30 | 55 | 11.10.2014 | Bajaj Hindusthan Ltd. | Nil |
| 6 | Mr. I. Rajarathinam | 47.22 | Vice President (Power Plant) | Permanent | B.E (Mech.) | 30 | 51 | 17.10.2008 | Birla Sugar | Nil |
| 7 | Mr. J. P. Tripathi | 43.00 | Vice President (Distillery) | Permanent | B.Sc, P.G DIFAT | 45 | 69 | 13.03.2013 | Sir Shadilal Dist. & Chem. Works | Nil |
| 8 | Mr. J. N. Sharma | 40.90 | Technical Advisor | Permanent | B.E, Dip. in Mech. Engg, AMIE (Mech.) | 54 | 75 | 16.11.1996 | ISGEC | Nil |
| 9 | Mr. Rajesh Garg | 38.79 | Company Secretary and Compliance Officer | Permanent | B.Com (Hons), LL.B FCS | 25 | 49 | 01.06.2001 | - | Nil |
| 10 | Mr. Sukhvinder Jit Singh | 36.33 | Sr. Vice President Shermau Unit | Permanent | B.Sc, B.Tech (Sugar Tech) MBA | 31 | 50 | 01.06.2022 | Sharayu Agro Industries Ltd. | Nil |

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

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

CONSERVATION OF ENERGY

(Annexure III)

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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

(A) CONSERVATION OF ENERGY:-

i) The steps taken or impact on conservation of energy:

- During season 2022-23, we diverted muddy juice of juice clarifier to mills instead of taking it to vacuum filter, which resulted in additional bagasse saving of about 2.5% on cane. Steam consumption has also got reduced. This additional bagasse saved was used in generating steam and power for our distilleries units making us self-sufficient in fuel requirement of distilleries. Further, due to muddy juice diversion to mills we also saved about 0.65 kwh power per tonnes of cane crushed.
- High mast towers with LED lights were installed in cane yard, which replaced high power consuming flood lights and sodium / mercury vapor lamps. At other areas of plants also florescent tube were replaced by energy efficient LED bulbs of lower watts.
- In view of company's corporate policy for reducing use of ground water, we moved ahead during FY 2022-23 also. Now, we have achieved almost zero ground water extraction in all the plants, except water required for drinking purpose, starting and closing of plant and alternate emergency requirement for use in boilers. Most of the process condensate generated during juice boiling is now being utilized after treatment in place of fresh ground water. The efforts made by company in this direction have substantially reduced power consumption required for tube wells operation.
- Additional power saving devices like Variable frequency drives (VFD) and HT/LT power capacitors were installed for power saving in all the plants.

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

- All the four sugar factories have bagasse based co-generation power plants, partly used for captive consumption and balance being exported to U.P. / Uttarakhand Power Corporation Ltd.
- By diverting muddy juice of juice clarifier to mills, the company tapped alternate source of energy. Due to this step, additional bagasse saved helped our distilleries to become self-sufficient in fuel requirement for steam and power generation for their captive use.
- Recycling of process water to conserve natural resources.

iii) The capital investment on energy conservation equipments : ₹586.06 Lakhs

(B) TECHNOLOGY ABSORPTION:-

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

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

- Expenditure incurred on Research & Development - NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

| PARTICULARS | Period Ended | |
|-------------------------------|--------------|------------|
| | 31.03.2023 | 31.03.2022 |
| Earnings:- Export Sales | 0.15 | 9.81 |
| Outgo:- a) Travelling Foreign | 2.41 | - |
| b) Plant & Machinery | 187.75 | - |

(Annexure IV)
Annual Report on Corporate Social Responsibility
[In Compliance of Section 135 of the Companies Act, 2013 and
the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

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

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

2. THE COMPOSITION OF CSR COMMITTEE:-

| S. No. | Name of Directors | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|----------------------------|--------------------------------------|--|--|
| 1. | Mr. Raj Kumar Adlakha | Managing Director | 1 | 1 |
| 2. | Mr. Shankar Lal Sharma | Whole-Time Director | 1 | 1 |
| 3. | Mr. Narendra Kumar Sawhney | Non-Executive & Independent Director | 1 | 1 |

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

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

https://www.uttamsugar.in/adminpanel/product_image/b5ac1a2f7751acec33bc5bdaca94a1f0Corporate%20Social%20Responsibility%20Policy.pdf

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**

5. a) Average net profit of the Company as per section 135(5): ₹ **12904.98 Lakhs**
b) Two percent of average net profit of the Company as per Section 135(5): ₹ **258.10 Lakhs**
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
d) Amount required to be set off for the financial year, if any: ₹ **27.19 Lakhs**
e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ **230.91 Lakhs**
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ **230.91 Lakhs**
b) Amount spent in Administrative Overheads: **NIL**
c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ **230.91 Lakhs**
e) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (₹ in Lakhs) | Amount Unspent (in ₹) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| ₹ 230.91 Lakhs | N.A. | N.A. | N.A. | N.A. | N.A. |

CORPORATE SOCIAL RESPONSIBILITY

f) Excess amount for set off, if any

| Sl. No. | Particulars | Amount (₹ in Lakhs) |
|---------|---|------------------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 258.10 |
| (ii) | Total CSR obligation for the financial year 2022-23 | 230.91 |
| (iii) | Total amount spent for the Financial Year | 230.91 |
| (iv) | Excess amount spent for the financial year [(iii)-(ii)] | Nil |
| (v) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (vi) | Amount available for set off in succeeding financial years [(iv)-(v)] | Nil |

Note: The amount available for set off from previous financial years in succeeding financial years is ₹ 26.79 Lakhs.

7. Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any | | Amount remaining to be spent in succeeding Financial Years (in ₹) | Deficiency, if any |
|---------|--------------------------|--|---|---|--|------------------|---|--------------------|
| | | | | | Amount (in ₹) | Date of transfer | | |
| 1. | | | | | | | | |
| 2. | | | | | | | | |
| 3. | | | | | | | | |
| | Total | | | | | | | |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**

| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
|---------|---|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| - | - | - | - | - | - | - | - |

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

A responsibility statement of the CSR Committee:

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

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

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

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

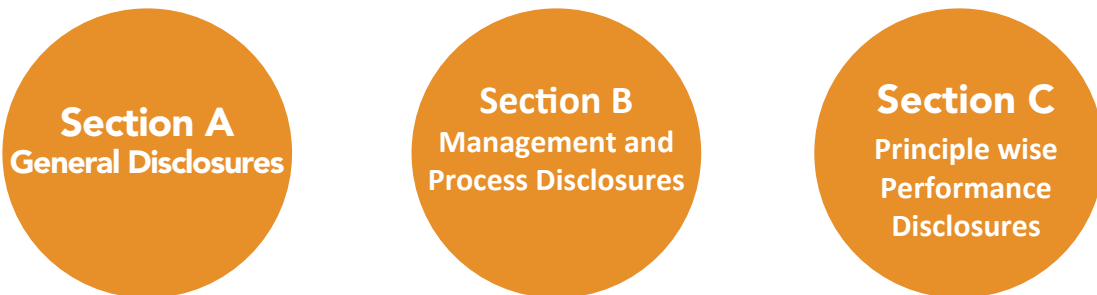
Place : Noida

Date : 11th August, 2023

(Annexure V)**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)
For the Financial Year 2022-23**

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations"), prescribe that the Top 1000 companies based on market capitalization as on March 31st of every financial year, are required to have "Business Responsibility and Sustainability Report" as part of their Annual Report. Since the Company is one of the Top 1000 companies based on market capitalization, the company is placing its first Business Responsibility and Sustainability Report ("the Report") of the Company for the financial year 2022-23.

Uttam Sugar's Business Responsibility and Sustainability Report (BRSR) is a comprehensive account of its business performance and impacts. The BRSR is in accordance with clause (f) of sub regulation (2) of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Company's business performance and impacts are disclosed based on the 9 Principles as mentioned in the National Guidelines on Responsible Business Conduct (NGRBC), reflecting Company's commitment towards responsible and sustainable business practices. This report consist of various section and principles which shows Company's commitment towards a responsible social citizen.



Section A: General Disclosures

I. Details of the Listed entity

| | | |
|-----|---|---|
| 1. | Corporate Identity Number (CIN) of the Company: | L99999UR1993PLC032518 |
| 2. | Name of the Listed Entity: | Uttam Sugar Mills Limited |
| 3. | Year of incorporation | 04-10-1993 |
| 4. | Registered Office address: | Village Libberheri, Tehsil Roorkee, District Haridwar Uttarakhand-247667 |
| 5. | Corporate Office | A-2E, 3 RD Floor, CMA Tower Sector-24 Noida -201301 |
| 6. | E-mail id: | investorrelation@uttamsugar.in |
| 7. | Telephone | 0120-4525000 |
| 8. | Website: | www.uttamsugar.in |
| 9. | Financial Year for which reporting is being done: | 2022-23 |
| 10. | Name of the Stock Exchange(s) where shares are Listed | National Stock Exchange of India Limited (NSE) and BSE Limited |
| 11. | Paid-up Capital | ₹ 38,13,81,200 |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Mr. Rajesh Garg (Company Secretary and Compliance Officer) Tel: 0120 4525000 email: investorrelation@uttamsugar.in |
| 13. | Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). | The disclosures made under this report are on a Standalone basis for Uttam Sugar Mills Limited. |

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of main activity | Description of business activity | % of turnover of the entity (FY'23) |
|--------|--------------------------------|---|-------------------------------------|
| 1. | Sugar Production | Manufacturing sugar by processing sugarcane through a highly controlled process | 81.40 |
| 2. | Power Generation | Generation of Power(Co-generation) | 2.94 |
| 3. | Distillery and allied products | Manufacturing of Industrial Alcohol | 15.66 |

15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

| S.No. | Product/Service | NIC Code | % of total turnover contributed |
|-------|--------------------------------|----------|---------------------------------|
| 1. | Sugar Production | 10721 | 81.40 |
| 2. | Power Generation | 35106 | 2.94 |
| 3. | Distillery and allied products | 11019 | 15.66 |

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|--|-------------------|-------|
| National | Four plants as detailed below:- Unit –1: Libberheri (Sugar, Co-generation & Distillery) Unit – 2: Barkatpur (Sugar, Co-generation & Distillery) Unit –3: Khaikheri (Sugar & Co-generation) Unit – 4: Shermau (Sugar & Co-generation) | One in Noida | Five |
| International | Currently, Uttam Sugar Mills Limited does not have international operations. | | |

17. Markets served by the entity:

(a) Number of Locations

| Locations | Number |
|----------------------------------|---|
| National (No. of States) | As of March 31, 2023, the Company is selling its products across India in all its states. |
| International (No. of Countries) | During the year, the Company has sold the sugar to Merchant Exporters. |

(b) What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of direct exports of the total turnover of the entity is ₹ 0.15 Lakhs. (However, sugar exported through Merchant Exporters not included).

(c) A brief on types of customers

At Uttam Sugar Mills Limited, we have a different range of customers across our different product lines.

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

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

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

Liquid Carbon Dioxide and Potash: During the distillery operations at both the plants, we produced the Co2 and Potash and the same is being sold to authorized third party agency.

IV. Employees

18. Details as at the end of the Financial Year:

(a) Employees and Workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------------|-----------|---------|---------|---------|---------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 481 | 472 | 98.13% | 9 | 1.87% |
| 2. | Other than Permanent (E) | 0 | 0 | 0 | 0 | 0 |
| 3. | Total employees (D + E) | 481 | 472 | 98.13% | 9 | 1.87% |
| WORKERS | | | | | | |
| 4. | Permanent (F) | 263 | 263 | 100.00% | 0 | 0 |
| 5. | Other than Permanent (G) | 2417 | 2417 | 100.00% | 0 | 0 |
| 6. | Total workers (F + G) | 2680 | 2680 | 100.00% | 0 | 0 |

(b) Differently abled Employees and Workers

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|--------------------------------|--|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | We do not have any differently abled employee. | | | | |
| 2. | Other than Permanent (E) | | | | | |
| 3. | Total employees (D + E) | | | | | |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | We do not have any differently abled worker. | | | | |
| 5. | Other than Permanent (G) | | | | | |
| 6. | Total workers (F + G) | | | | | |

19. Participation/Inclusion/Representation of Women

Employees and Workers (including differently abled):

| Particulars | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 7 | 1 | 14.29% |
| Key Management Personnel | 2 | 0 | 0% |

20. Turnover rate for permanent employees and workers

| | FY 2022-23 (Turnover rate in current FY) | | | FY 2021-22 (Turnover rate in previous FY) | | | FY 2020-21 (Turnover rate in the year prior to the previous FY) | | |
|---------------------|---|--------|-------|--|--------|-------|--|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 5.60 | 0 | 5.60 | 4.56 | 0 | 4.56 | 5.30 | 0 | 5.30 |
| Permanent Workers | 5.85 | 0 | 5.85 | 4.73 | 0 | 4.73 | 6.01 | 0 | 6.01 |

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

| S.No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|-------|---|--|-----------------------------------|---|
|-------|---|--|-----------------------------------|---|

We do not have a holding/subsidiary/associate/joint venture.

VI. CSR Details**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)**

Yes, Corporate Social Responsibility is applicable on our Company. As a responsible corporate, Company is committed to contribute towards Corporate Social Responsibility. The Company has taken various steps to meet society's expectations and welfare of the people. The company implemented the social activities in the neighboring villages of Company's factories/other areas for the welfare of the general public living therein.

(ii) **Turnover** – ₹2058.87 Lakhs

(iii) **Net worth** – ₹53838 Lakhs

VII. Transparency and Disclosures Compliances–**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

| Stakeholder group from Whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) | (If yes, then provide web-link for grievance redress policy) | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|---|--|---|--|--|---------|--|--|---------|
| | | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes, we do have a redressal mechanism in place for the communities that allow communities to complain about their grievance. | https://www.uttamsugar.in/grievance.php | No complaints were received in financial year 2022-23. | | | No complaints were received in financial year 2021-22. | | |
| Investors (other than shareholder) | Yes, the Company has an effective investor redressal mechanism. Investors with concerns can contact Mr. Rajesh Garg (Company Secretary and Compliance Officer) At Tel: 0120 – 4525000. Email: investorrelation@uttamsugar.in | https://www.uttamsugar.in/grievance.php | No complaints were received in financial year 2022-23. | | | No complaints were received in financial year 2021-22. | | |
| Shareholders | Yes, concerned shareholders can contact Mr. Rajesh Garg (Company Secretary and Compliance Officer) at Tel: 0120 – 4525000 | https://www.uttamsugar.in/grievance.php | No complaints were received in financial year 2022-23. | | | No complaints were received in financial year 2021-22. | | |

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| Stakeholder group from Whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) | (If yes, then provide web-link for grievance redress policy) | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|---|--|---|--|--|---------|--|--|---------|
| | | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| | Email: investorrelation@uttamsugar.in Or Shareholders may also contact M/s. Link Intime India Private Limited (Registrar & Share Transfer Agents – RTA) at Tel: 011-4141 0592-94 Email: delhi@linkintime.co.in . | | | | | | | |
| Employees and Workers | Yes, the Company has in place an effective Whistle blower policy that covers all its employees and directors, providing them with a channel to raise their concerns. The policy's primary goal is to provide necessary safeguards to protect the interest of all the employees and its workers. | https://www.uttamsugar.in/adminpanel/product_image/c077866187df2f-8017c804ecf707c-5c1WHISTLE%20BLOWER%20&%20VIGIL%20MECHANISM.pdf | No complaints were received in financial year 2022-23. | | | No complaints were received in financial year 2021-22. | | |
| Customers | Yes, the Company has a grievance redressal mechanism in place for all of its customers. Customers can communicate their grievance to the Company. | | No complaints were received in financial year 2022-23. | | | No complaints were received in financial year 2021-22. | | |
| Value Chain Partners | Yes, the Company has a grievance redressal mechanism in place for all of its value chain partners. | | No complaints were received in financial year 2022-23. | | | No complaints were received in financial year 2021-22. | | |

24. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

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| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|---|--|--|
| 4 | Water Management | Risk | Water being a finite resource will pose a risk to the operations of our business. | <p>Uttam Sugar Mills Limited has implemented several measures to mitigate the risks associated with water management.</p> <p>The company has taken various measures to reduce water consumption in the manufacturing process of Sugar.</p> <p>The Company has also implemented rainwater harvesting systems to store rainwater for use in its manufacturing process.</p> | Negative Penal provisions can be imposed on the Company in case where any rule or norm as mandated by Central and State Pollution Control Boards is breached. |
| 5 | Waste Management | Opportunity | Sustainable waste management practices and recycling can improve environmental performance and reduce dependency on virgin raw materials, while also potentially increasing financial returns. | Better our waste segregation and collection processes to improve the efficiency of the process. | Positive: Uttam's efforts are channeled towards low waste generation in their operations so that cost can be reduced and efficiency can be increased. Further, proper waste management can lead to increased efficiency in the use of raw materials, as waste can be recycled or reused in production processes. |
| 6 | Consumer Welfare | Opportunity | To distinguish ourselves as market leaders and most the preferred consumer brand. | Uttam has established strong market connects and build legacy brands that ensure consumer welfare is ensured. | Positive Goodwill amongst consumers will convert into product sales. |
| 7 | Health & Safety | Risk | This can lead to decreased productivity. Health and safety risks can result in employee injuries and illness impacting productivity and increase in other related cost. Hazardous operations, employee safety is crucial. | Many efforts and initiatives have been put in place to ensure employee health and safety. We always provide our employees with safety gear and equipment to make sure they are safe. | Neutral Any cost put towards employee health and safety will yield positive results in the long term. |
| 8 | Climate Risk | Risk | Climate Change can have adverse impact on our business and not having a correct strategy or its right implementation will severely affect the business continuity. | Though, we do not have any mitigation measures to tackle climate change related risk. However, we make sure that our production process is not hampered, and timely production and delivery of products is ensured. | Negative: Substantial Impact on profitability of the company. |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|---|--|--|
| 9 | Energy & Emissions | Opportunity | Processes and Systems are in place to ensure maximum energy efficiency and reducing emissions. This will also result in reduce its operational costs, improve its environmental impact, and potentially benefit from incentives and carbon credits. | At uttam, we have taken various steps to reduce the greenhouse gas emissions (GHG) and increase usage of Solar panels, LEDs etc. to manage energy efficiently. Additionally, under the power purchase agreement we are generating revenue by selling excess energy back to the grid. | Positive: Any cost, put for improving the energy management and processes to reduce the GHG Emissions will fetch positive outcomes and reduced cost in the long run. |
| 10 | Regulatory Compliance | Opportunity | Regulatory compliance provides, an increase in the efficiency of products, reduce risks, enables competitive advantage, and creates new business opportunities. Regulatory compliant businesses are less likely to face legal or regulatory action, and damage to reputation. | Not Applicable | Positive We at uttam, make sure that our fertilizers is a regulatory compliant Company. Regulatory compliant businesses are less likely to face legal or regulatory action, and damage to reputation. |
| 11 | CSR | Opportunity | Need Assessment done prior to project execution gives us the voice and stance of the community along with their consent to operate. | Uttam Sugar is taking all the possible steps in respect of Uttam's CSR initiatives. | Positive The benefits of our CSR endeavors bring to the community generates goodwill and enhances our reputation thereby having long term financial benefits. |

Section B: Management And Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| S. No. | Principle Description |
|-------------|--|
| Principle 1 | Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable. |
| Principle 2 | Businesses should provide goods and services in a manner that is sustainable and safe. |
| Principle 3 | Businesses should respect and promote the well-being of all employees, including those in their value chains. |
| Principle 4 | Businesses should respect the interests of and be responsive to all its stakeholders. |
| Principle 5 | Businesses should respect and promote human rights. |
| Principle 6 | Businesses should respect and make efforts to protect and restore the environment. |
| Principle 7 | Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent. |
| Principle 8 | Businesses should promote inclusive growth and equitable development. |
| Principle 9 | Businesses should engage with and provide value to their consumers in a responsible manner. |

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| Disclosure Questions | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|--|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | | |
| 1. | a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | c. Web Link of the Policies, if available** | All the policies are available on the website of the Company and link for the same are given below: http://www.uttamsugar.in/policy.php?policy=usml-various-policies | | | | | | | | |
| 2. | Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. | Do the enlisted policies extend to your value chain partners? (Yes/No) | No, the enlisted policies do not extend to our value chain partners. However, value chain partners always been encouraged for the industry best practices and standards for value chain activities. | | | | | | | | |
| 4. | Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle. | NA | | | | | | | | |

| Disclosure Questions | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----------------------|---|--|----|----|----|----|----|----|----|----|
| 5. | Specific commitments, goals and targets set by the entity with defined timelines, if any. | <p>We are committed towards the ESG factors as given below.</p> <p>Environmental: We have started accounting our Scope 1&2 emissions from this year onwards and will be using this as a baseline to reduce our emissions in a phased manner and we plan to initiate the understanding of our Scope 3 emissions using a similar approach. We also aim to further reduce our ground water consumption in due course.</p> <p>Social: As a responsible corporate citizen, Uttam Sugar is committed to engaging with local communities and promoting social and economic development. To fulfil this commitment, we have set targets to enhance our engagement with the communities where we operate and address their concerns in business decision making by setting up a robust mechanism. We aim to work closely with local stakeholders to create sustainable development opportunities that benefit both the community and our business. We also aim to increase the percentage of employees and workers who receive regular training and development opportunities, and also expand our efforts to provide training and development and awareness programs to our value chain partners, including suppliers and farmers.</p> <p>Governance: At Uttam, we are committed to upholding ethical and sustainable business practices and are committed to take a re-look at our current policies to ensure these policies serve as a guide for all our business activities, with a structure of transparently and regular monitoring and reporting on our progress.</p> | | | | | | | | |
| 6. | Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met. | <p>In this report, we have provided an overview of our current performance across various indicators related to business responsibility and sustainability. While we have disclosed our current performance, we recognize the need for continued improvement in these areas. As such, we are committed to setting specific goals and targets to guide our efforts towards achieving a more sustainable and responsible business model.</p> <p>Since this is our first Business Responsibility and Sustainability report, we are in the process of setting specific goals and targets. We plan to begin sharing our progress towards these goals in next year's report.</p> | | | | | | | | |

Governance, leadership, and oversight

| | |
|----|---|
| 7. | Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure). At Uttam Sugar, our approach to sustainability is characterized by our efforts on water conservation, energy use reduction, resource efficiency, waste minimization, impacting lives of local communities and conducting business responsibly. We are committed to enhancing our sustainability performance through a prioritization of the 12 material topics, which includes our ethanol and industrial alcohol production, categorized under the pillars of sustainable production, environmental conservation, and empowerment of the local communities. We impact lives of local communities by undertaking various Corporate Social Responsibility projects around our manufacturing units with specific focus on education, skill development and employability/ entrepreneurship to improve livelihood and overall development of the communities we serve. |
| 8. | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies. Mr. Shankar Lal Sharma, Executive Director is responsible for overseeing the implementation of the policies. |

| Disclosure Questions | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|----------------------|--|---|----|----|----|----|----|----|----|----|
| 9. | Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details. | No. We have not constituted ESG committee yet. Shri Shankar Lal Sharma, Executive Director is responsible for decision making on sustainability related issues. | | | | | | | | |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
|--|--|-----|-----|-----|-----|-----|-----|-----|-----|---|----|----|----|----|----|----|----|----|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action. | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | The policies are reviewed quarterly. | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances. | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | The compliance is checked quarterly. And policies are updated as and when required. | | | | | | | | |

| | | | | | | | | | |
|--|--|----|----|----|----|----|----|----|----|
| 11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| | No, we haven't carried out any independent assessments / evaluations by any external agency. | | | | | | | | |

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|----------------|----|----|----|----|----|----|----|----|
| The entity does not consider the principles material to its business (Yes/No). | Not Applicable | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No). | | | | | | | | | |
| The entity does not have the financial or/ human and technical resources available for the task (Yes/No). | | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No). | | | | | | | | | |
| Any other reason (please specify). | | | | | | | | | |

Section C: Principle Wise Performance Disclosure

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

| Segment | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact | % age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|--|---|
| Board of Directors | - | - | - |
| Key Managerial Personnel | - | - | - |
| Employees other than BoD and KMPs | 46 | On health and safety measures On Skill upgradation Code of Conduct | 95% |
| Workers | 68 | Health, Safety & Human Rights | 98% |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

| | NGRBC Principle | Name of the regulatory/ enforcement agencies/judicial institutions | Amount (In Million) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
|-----------------|-----------------|--|---------------------|-------------------|--|
| Penalty/ Fine | | | Nil | | |
| Settlement | | | Nil | | |
| Compounding Fee | | | Nil | | |

Non-Monetary

| | NGRBC Principle | Name of the regulatory/enforcement agencies/judicial institutions | Amount (In Million) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
|--------------|-----------------|---|---------------------|-------------------|--|
| Imprisonment | | | Nil | | |
| Punishment | | | Nil | | |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/enforcement agencies/judicial institutions |
|----------------|---|
| Not Applicable | |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Though, USML does not have a dedicated anti-corruption or anti-bribery policy, its operations are governed as per the Code of Ethics & Conduct and Whistle blower policy. The document is applicable to all the employees who must abide by the values of the company. The code compels the employees to be ethical, accountable and transparent in their day-to-day office work and addresses issues beyond corruption and bribery. It also lays down additional provisions for the board members as well as Key Management Personnel (KMP) for compliance with the code.

Web link to our Code of Conduct: http://www.uttamsugar.in/adminpanel/product_image/646183aec50c32435d69a3f638108fccCode%20of%20Conduct%20&%20Ethics%20for%20Board.pdf

Web link to our Whistle Blower Policy: http://www.uttamsugar.in/adminpanel/product_image/c077866187df2f8017c804ecf707c5c1WHISTLE%20BLOWER%20&%20VIGIL%20MECHANISM.pdf

5. Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

| | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|-----------|--|---|
| Directors | Nil | Nil |
| KMPs | | |
| Employees | | |
| Workers | | |

6. Details of complaints about conflict of interest:

| | FY 2022-23 (Current Financial Year) | | FY 2021-22 (Previous Financial Year) | |
|---|--|---------|---|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors. | Nil | | Nil | |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs. | Nil | | Nil | |

7. Provide details of any corrective action taken or underway on issues related to fines/penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Since there were no complaints regarding corruption and conflict of interests of Directors/KMP, no corrective actions were required to be taken in the current year.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

| Total number of Awareness programmes held | Topics / principles covered under the training | % age of value chain partners covered (By value of business done with such partners) under the awareness programmes |
|---|--|---|
|---|--|---|

We conduct awareness programs through physical meetings to educate the farmers. We introduce the farmers with the latest techniques and best agri practices which improves the sugarcane yield better. We also provide the farmers with pesticides and fertilizers so that the same can be easily available to farmers.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

The Company has a code of conduct for senior management and directors in place to manage conflict of interests among them which can be accessed through http://www.uttamsugar.in/adminpanel/product_image/646183aec50c32435d69a3f638108fccCode%20of%20Conduct%20&%20Ethics%20for%20Board.pdf

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

| | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) | Details of improvements in environmental and social impacts |
|-------|--|---|---|
| R&D | NIL | NIL | - |
| Capex | NIL | NIL | - |

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
 Yes, the company has procedures in place for sustainable sourcing. The company is procuring basic raw material i.e. Sugarcane from all the farmers including nearby/local farmers.

- b. **If yes, what percentage of inputs were sourced sustainably?**

Yes, 100% of inputs were sourced locally. We procure raw material from every local/nearby farmers.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The production of Sugar from Sugarcane is indeed an eco- friendly virtuous cycle. All joint and by products generated during the process of sugar manufacture are productively utilized viz. bagasse is utilized for power generation; molasses is utilized to produce distillery products and other wastes generated like press mud and ash generated from incineration boilers are utilized for manufacture of organic manure. The Company has laid down comprehensive guidelines on waste management for all its units, which cover hazardous as well as non-hazardous waste and monitoring of performance for each unit, is carried out on a regular basis. Thus, the by-products and waste generated out of manufacturing processes are mostly recycled.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Extended Producer Responsibility (EPR) is applicable to the entity’s activities. - Yes. We have fulfilled our targets (Waste Collection) as per the norms of the CPCB. EPR plan has been submitted to the CPCB.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following form at?

No.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

No.

3. Percentage of recycled or reused input material to total material (by value) used in production (For manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|--|---|
| | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
| Bagasse | This is not applicable as we do not recycle or reuse any of the input materials. | |
| Molasses | | |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed off.

| | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|--------------------------------|--|----------|-----------------|---|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (Including packaging) | - | - | - | - | - | - |
| E-waste | - | - | - | - | - | - |
| Hazardous waste | - | - | - | - | - | - |

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Yes, we reclaim our product in cases where the moisture content of sugar is questioned, and we replace the product with the help of our sales team.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
| Sugar | The percentage is nil for the current year. |

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. (a) Details of measures for the well-being of employees

| Category | % of employees covered by | | | | | | | | | | |
|---------------------------------------|---------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | 472 | 472 | 100 | 472 | 100 | 0 | 0 | 0 | 0 | 0 | 0 |
| Female | 9 | 9 | 100 | 9 | 100 | 9 | 100 | 0 | 0 | 0 | 0 |
| Total | 481 | 481 | 100 | 481 | 100 | 9 | 100 | 0 | 0 | 0 | 0 |
| Other Than Permanent Employees | | | | | | | | | | | |
| Male | Nil | | | | | | | | | | |
| Female | Nil | | | | | | | | | | |
| Total | Nil | | | | | | | | | | |

Note: Above said numbers representing the insurance opted by the respective employee.

(b) Details of measures for the well-being of workers:

| Category | % of workers covered by | | | | | | | | | | |
|-------------------------------------|-------------------------|------------------|----------|----------------------|---------|------------------------|---------|-----------------------|---------|---------------------|---------|
| | Total (A) | Health insurance | | * Accident insurance | | *** Maternity benefits | | ** Paternity benefits | | Day Care facilities | |
| | | Number (B) | % (B/ A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent workers | | | | | | | | | | | |
| Male | 263 | 263 | 100 | 263 | 100 | 0 | 0 | 0 | 0 | 0 | 0 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 263 | 263 | 100 | 263 | 100 | - | - | 0 | 0 | 0 | 0 |
| Other Than Permanent workers | | | | | | | | | | | |
| Male | 2417 | 835 | 34.55 | 835 | 34.55 | 0 | 0 | 0 | 0 | 0 | 0 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 2417 | 835 | 34.55 | 835 | 34.55 | 0 | 0 | 0 | 0 | 0 | 0 |

Note: Above said numbers representing the insurance opted by the respective workers.

2. Details of retirement benefits.

| Benefits | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|----------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 100% | 100% | NA | 100% | 100% | Yes |
| Gratuity | 100% | 100% | NA | 100% | 100% | Yes |
| ESI | Employee State Insurance (ESI) is not applicable for our employees and workers because we are a seasonal industry. | | | | | |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the offices of Uttam Sugar are accessible to all its employees including persons with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Uttam Sugar Mills Limited is committed to provide equal opportunities for all the employees regardless of their background or identity. The Company has not yet prepared formal equal opportunity policy, but Company's Code of Conduct provides guidance in this regard.

Web link to our code of conduct: http://www.uttamsugar.in/adminpanel/product_image/646183aec50c32435d69a3f638108fccCode%20of%20Conduct%20&%20Ethics%20for%20Board.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | | Permanent workers | |
|--------|---|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | Not applicable, as in the current financial year none of the personnel have taken parental leave. | | | |
| Female | | | | |
| Total | | | | |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

| | (If yes, then give details of the mechanism in brief) |
|--------------------------------|--|
| Permanent Workers | The Company has a whistle blower and protection policy in place which provides guidance to raise a complaint in case of any concerns. |
| Other than Permanent Workers | Not Applicable. Non-permanent workers at Uttam plants are contracted via a 3 rd party and their grievance redressal mechanism rests with the contractors. |
| Permanent Employees | The Company has a whistle blower and protection policy in place which provides guidance to raise a complaint in case of any concerns. |
| Other than Permanent Employees | Not Applicable. All employees working in Uttam are permanent employees. |

Note: We have also set up suggestion boxes at our every manufacturing units and other offices so that every employee/worker whether permanent or otherwise can raise his/her complaint and also give their valuable suggestions.

7. Membership of employees and workers in association(s) or unions recognized by the listed entity:

| Category | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|---------------------------|--|--|---------|--|--|---------|
| | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or union (B) | % (B/A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or union (D) | % (D/C) |
| Total Permanent Employees | 481 | 0 | 0 | 478 | 0 | 0 |
| Male | 472 | 0 | 0 | 470 | 0 | 0 |
| Female | 9 | 0 | 0 | 8 | 0 | 0 |
| Total Permanent Workers | 835 | 275 | 32.93 | 851 | 275 | 32.93 |
| Male | 835 | 275 | 32.93 | 851 | 275 | 32.93 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 |

8. Details of training given to employees and workers on:

| Category Benefits | FY 2022-23 (Current Financial Year) | | | | | FY 2021-22 (Previous Financial Year) | | | | |
|-------------------|--|-------------------------------|---------|------------------------|---------|---|-------------------------------|---------|----------------------|---------|
| | Total (A) | On Health and safety measures | | On Skill Upgradation** | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Male | 472 | 472 | 100 | 472 | 100 | 470 | 470 | 100 | 470 | 100 |
| Female | 9 | 9 | 100 | 9 | 100 | 8 | 8 | 100 | 8 | 100 |
| Total | 481 | 481 | 100 | 481 | 100 | 478 | 478 | 100 | 478 | 100 |
| Workers | | | | | | | | | | |
| Male | 2680 | 835 | 31.16 | 835 | 31.16 | 2624 | 851 | 32.43 | 851 | 32.43 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 2680 | 835 | 31.16 | 835 | 31.16 | 2624 | 851 | 32.43 | 851 | 32.43 |

9. Details of performance and career development reviews of employees and worker:

| Category | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|------------------|--|---------|---------|---|---------|---------|
| | Total (A) | No. (B) | % (B/A) | Total (A) | No. (B) | % (B/A) |
| Employees | | | | | | |
| Male | 472 | 472 | 100 | 470 | 470 | 100 |
| Female | 9 | 9 | 100 | 8 | 8 | 100 |
| Total | 481 | 481 | 100 | 478 | 478 | 100 |
| Workers | | | | | | |
| Male | 2680 | 915 | 34.14 | 2624 | 886 | 33.77 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 2680 | 915 | 34.14 | 2624 | 886 | 33.77 |

10. Health and safety management system:

(a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, we have an occupational health and safety management system which ensures safety of our employees working in plants and are engaged in hazardous activities.

We have displayed precautionary advisory on the signboards at our every plant to guide all individuals in respect of hazardous areas and other risk related zones and we have also made it mandatory for all personnel to wear a helmet before entering the premises as it is crucial for individual safety.

(b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To identify work related hazards and protect our employees safe, we conduct on-site visits to the plants to identify any hazards that exist, and we fill out work permits before beginning the work.

We also provide our employees with safety gear like helmets, gloves, and Personal Protective Equipment (PPE) to ensure that they are protected and safe as they work in hazardous areas.

(c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, the Company has processes for workers to report the work-related hazards and to remove themselves from such risks.

We provide training to our workers who are engaged in management of hazardous operations in order to ensure that they are aware of the hazards and thereby minimize the hazard related risks for them.

(d) Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|-----------|--|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked). | Employees | - | - |
| | Workers | 1 | 1 |
| Total recordable work-related injuries. | Employees | 1 | - |
| | Workers | 11 | 11 |
| No. of fatalities. | Employees | - | - |
| | Workers | 2 | 1 |
| High consequence work-related injury or ill-health (excluding fatalities). | Employees | - | - |
| | Workers | 6 | 2 |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Uttam Sugar emphasises on the importance of maintaining a safe and healthy workplace for all its employees. The Company has in place a Health and Support Wellness program at every manufacturing units where it offers a range of reliable self-help resources. Additionally, the Company offers personalized help from professional counselors such as psychological counselor supporting physical health, mental health and e-workshops on topics like parenting, relationship etc.

The Company conducts awareness sessions covering safety aspects. Trainings related to Hazardardous operations and Total Productive Maintenance are provided. During the year, there were no fatalities of any employee whilst on duty.

We also conduct periodic plant safety inspections, coupled with audits to enhance process effectiveness and compliance and as a part of our responsibility towards our employees and workers we have instilled a behavioral safety program across manufacturing facilities to ensure safety and security of the unit concerned.

13. Number of complaints on the following made by employees and workers.

| | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|--------------------|--|---------------------------------------|---------|---|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | Nil | Nil | - | Nil | Nil | - |
| Health & Safety | Nil | Nil | - | Nil | Nil | - |

14. Assessments for the year.

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties). |
|-----------------------------|---|
| Health and safety practices | We make sure that all rules are followed, and precautions are taken to make the workplace safe and healthy for our employees and always in good working conditions. |
| Working Conditions | |

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15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We ensure to address any safety related incidents and we also carry out safety audits in order to ensure assessment of the workplace in terms of health and safety practices and working conditions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

- Employees (Yes)
- Workers (Yes)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We make sure that all the statutory dues have been deducted and deposited by the value chain partners.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total no. of affected employees/ workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-----------|--|---|---|---|
| | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
| Employees | Nil | | | |
| Workers | Nil | | | |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

There are no transition assistance programs to facilitate continued employability and management of career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties). |
|------------------------------|--|
| Health and safety conditions | No assessment has been carried out for any of the value chain partners for health and safety and working conditions. |
| Working conditions | |

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable, since, we do not carry out any assessment for our value chain partners.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Any individual or group of individuals or institution that adds value to the business of the Company is identified as a core stakeholder. Uttam Sugar Mills Limited has recognized both, internal stakeholder which includes employees and external stakeholder which includes external channels such as regulators, investors and community.

We regularly engage with stakeholders through an active sharing of relevant information, and we ensure a two-way communication with all our stakeholders to ensure effective business growth.

2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---------------------|--|---|--|---|
| Farmers | No | E-Mitra app, IVR calling, messages | whenever required | Training and awareness on agricultural practices, distribution of fertilizer and pesticides. |
| Shareholders | No | Company website, One-to-one meeting, Annual General Meeting, Stock Exchange updates | Annually/ Quarterly/need based | Financial performance, Disclosures in the public domain, Ethics and compliance, Sound Corporate Governance practices. |
| Technology Vendors | No | Email | As required | System upgradation/ routine check up. |
| Customers | No | Feedback and Survey, Meetings | As required | Redressal of grievances. |
| Employees | No | Notice Board, WhatsApp, Verbal communication | Quarterly basis | Training and Development, General Discussions, and briefings. |
| General Communities | No | Community meetings, pamphlets | On Need basis | Engagement and involvement in decision making. |

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

We maintain a constant and proactive engagement with our key stakeholders that enables us to communicate our strategy and performance. We practice continuous communication and engagement to align expectations. The board is regularly aligned on various developments and feedback on the same is sought from them.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the stakeholder engagement included consultation of ESG topics. The materiality assessment conducted identified a list of material topics that are the most relevant and applicable for Uttam and actions are to be taken on them. We ensure that we take inputs received from stakeholders and integrate them into our processes and policies. We also ensure that we address the concerns of Farmers and always try to improve their lives through our CSR initiatives in the nearby villages.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Farmers are one of the most important stakeholders for our business and we ensure that we maintain cordial relationships with them and ensure that their grievances and issues are addressed effectively. We take number on initiatives on regular basis to address concerns of farmers.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|----------------------|--|--|---------|---|--|---------|
| | Total (A) | No. of employees / workers covered (B) | % (B/A) | Total (C) | No. of employees / workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | 481 | 481 | 100.00 | 478 | 478 | 100.00 |
| Other than permanent | 0 | 0 | 0 | 0 | 0 | 0 |
| Total employees | 481 | 481 | 100.00 | 478 | 478 | 100.00 |
| Workers | | | | | | |
| Permanent | 263 | 263 | 100.00 | 268 | 268 | 100.00 |
| Other than permanent | 2417 | 2417 | 100.00 | 2356 | 2356 | 100.00 |
| Total Workers | 2680 | 2680 | 100.00 | 2624 | 2624 | 100.00 |

Note: Currently, we have a Code of Conduct in place which covers the aspects of human rights. The employees are mandated to abide by these policies before joining the company. Additionally, extracts of the Factory Act prohibiting child/bonded Labour and minimum wages are displayed in factory premises for perusal of all direct/indirect employees.

2. **Details of minimum wages paid to employees and workers, in the following format:**

| Category | FY 2022-23 (Current Financial Year) | | | | | FY 2021-22 (Previous Financial Year) | | | | |
|-----------------------------|--|-----------------------|---------|------------------------|-----|---|-----------------------|---------|------------------------|--------|
| | Total (A) | Equal to Minimum wage | | More than Minimum wage | | Total (D) | Equal to Minimum wage | | More than Minimum wage | |
| | | No. (B) | % (B/A) | No.(C) | % | | No. E | % (E/D) | No.(F) | %(F/D) |
| Employees | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | 472 | 0 | 0 | 472 | 100 | 470 | 0 | 0 | 478 | 100 |
| Female | 9 | 0 | 0 | 9 | 100 | 8 | 0 | 0 | 8 | 100 |
| Other than Permanent | | | | | | | | | | |
| Male | 0 | 0 | 0 | 0 | 0 | - | - | - | - | - |
| Female | 0 | 0 | 0 | 0 | 0 | - | - | - | - | - |
| Workers | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | 263 | 0 | 0 | 263 | 100 | 268 | 0 | 0 | 268 | 100 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other than permanent | | | | | | | | | | |
| Male | 2417 | 0 | 0 | 2417 | 100 | 2356 | 0 | 0 | 2356 | 100 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

3. Details of remuneration/salary/wages, in the following format:

Median Remuneration

(₹ In Lakhs)

| | Male | | Female | |
|----------------------------------|--------|---|--------|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD) | 6 | 13.75 | 1 | 13.25 |
| Key Managerial Personnel | 2 | 55.09 | - | - |
| Employees other than BoD and KMP | 472 | 4.83 | 9 | 6.67 |
| Workers other than BoD and KMP | 260 | 3.11 | - | - |

Note: The above table does not include seasonal and contractual employees.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Company's HR department is handling all the matters related to human rights including complaints and grievances raised by the individuals. The Company also have in place Code of Conduct and Whistle Blower Policy and every employee abide by the same and we are also committed towards our both the codes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At Uttam, guidance on human rights issues is covered as a part of its Code of Conduct. The Company has a Whistle Blower Policy that allows and encourages its stakeholders to raise concerns about the violations against the Code of Conduct. Additionally, employees can report issues to the Chairman of the Audit Committee.

6. Number of complaints on the following made by employees and workers:

| | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|-----------------------------------|--|---------------------------------------|---------|---|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | | | | | | |
| Discrimination at workplace | | | | | | |
| Child Labour | | | | | | |
| Forced Labour/Involuntary Labour | | | | | | |
| Wages | | | | | | |
| Other human rights related issues | | | | | | |

No complaints were received regarding any of these human rights related issues in both FY 2022-23 and FY 2021-22.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Whistle Blower & Protection policy mentions a clause on confidentiality of complainant/ Protection against victimization. There were no cases reported on sexual harassment and discrimination, however if any such situation arises, the complainant can submit a complaint to his or her supervisor and audit committee of the Board, which investigate the matter and provides a satisfactory resolution to the complainant.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

9. Assessments of the year

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties). |
|-----------------------------|---|
| Child labour | We do not conduct any assessment, however the respective officers at plants and offices has keep a vigilance that no child labour/forced labour is practiced and no harassment/discrimination should take place at the respective plants and offices. |
| Forced/involuntary labour | |
| Sexual harassment | |
| Discrimination at Workplace | |
| Wages | |

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced because of addressing human rights grievances/ complaints.

No such grievances on Human Rights violations.

2. Details of the scope and coverage of any Human rights due diligence conducted.

We do not conduct due diligence regarding human rights issues; however, we are responsible for the protection of all our stakeholders who are required to follow the code of conduct of USML.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, our offices /premises are accessible to differently abled visitors.

4. Details on assessment of value chain partners:

| | |
|-----------------------------|---|
| Sexual harassment | We do not assess our value chain partners for any of these issues, but we make sure that they adhere to our policies and code of conduct. |
| Discrimination at workplace | |
| Child labour | |
| Forced/involuntary labour | |
| Wages | |
| Others – please specify | |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable. No concerns have been reported in the current reporting cycle. Hence, no corrective actions were required.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

| Parameter | Unit | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|---|-------------|--|---|
| Total electricity consumption (A) (Bagasse +Slop+ Corporate offices) | GJ | 722732.00 | 744670.00 |
| Total fuel consumption (B) (Diesel) | GJ | 318.65 | 344.00 |
| Energy consumption through other sources (C) | GJ | 00 | 00 |
| Total energy consumption (A+B+C) | GJ | 723050.65 | 745014.00 |
| Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) | GJ/ INR | | |

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No assessment/evaluation/assurance has been carried out by an external agency.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|---|--|
| Water withdrawal by source (in kiloliters/year) | | |
| (i) Surface water: | NIL | NIL |
| (ii) Groundwater | 381517.00 | 544243.00 |
| (iii) Third party water | Nil | Nil |
| (iv) Seawater / desalinated water | Nil | Nil |
| (v) Others | Nil | Nil |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 381517.00 | 544243.00 |
| Total volume of water consumption (in kilolitres) | 381517.00 | 544243.00 |
| Water intensity per rupee of turnover (liter/rupee) | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, there are no independent assessments currently being done by any third party.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, we have implemented zero liquid discharge (ZLD) process at all our distilleries to ensure that no industrial effluents are released into the environment.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

| Parameter | Please specify unit | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--------------------------------|---------------------|--|---|
| 1. Sugar Unit, Libbereheri | | | |
| NOx | Mg/nm ³ | 22.60 | 18.40 |
| Sox | Mg/nm ³ | 13.40 | 10.80 |
| Particulate Matter (PM) | Mg/nm ³ | 86.80 | 72.60 |
| Others- Carbon Mono oxide (CO) | Mg/nm ³ | 0.40 | 0.30 |
| 2. Sugar Unit, Shermou | | | |
| NOx | Mg/nm ³ | 15.00 | 14.00 |
| Sox | Mg/nm ³ | 8.50 | 8.00 |
| Particulate Matter (PM) | Mg/nm ³ | 82.50 | 87.50 |
| Others- Carbon Mono oxide (CO) | Mg/nm ³ | 0.26 | 0.20 |
| 3. Sugar Unit, Barkatpur | | | |
| NOx | Mg/nm ³ | 9.40 | 7.80 |
| Sox | Mg/nm ³ | 5.60 | 4.20 |
| Particulate Matter (PM) | Mg/nm ³ | 86.4 | 98.2 |

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| Parameter | Please specify unit | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--------------------------------|---------------------|--|---|
| Others- Carbon Mono oxide (CO) | Mg/nm ³ | N.D. | N.D. |
| 4. Sugar Unit, Khaikheri | | | |
| NOx | Mg/nm ³ | 14.2 | 16.8 |
| Sox | Mg/nm ³ | 9.6 | 12.8 |
| Particulate Matter (PM) | Mg/nm ³ | 84.2 | 70.4 |
| Others- Carbon Mono oxide (CO) | Mg/nm ³ | N.D. | N.D. |
| 5. Distillery Unit, Libberheri | | | |
| NOx | Mg/nm ³ | 18.4 | 22.5 |
| Sox | Mg/nm ³ | 13.8 | 11.2 |
| Particulate Matter (PM) | Mg/nm ³ | 58.3 | 62.6 |
| Others- Carbon Mono oxide (CO) | Mg/nm ³ | 0.35 | 0.40 |
| 6. Distillery Unit, Barkatpur | | | |
| NOx | Mg/nm ³ | 135.17 | 136.94 |
| Sox | Mg/nm ³ | 16.22 | 16.82 |
| Particulate Matter (PM) | Mg/nm ³ | 51.93 | 53.16 |
| Others-Carbon Mono oxide (CO) | Mg/nm ³ | 0.60 | 0.61 |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, there are no independent assessments currently being done by any third party.

6. Provide details of Greenhouse Gas Emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Please specify unit | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|---------------------------------|--|---|
| Total Scope 1 Emissions* (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | tCO ₂ eq/Mwh | 9.31 | 9.26 |
| Total Scope 2 emissions** (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | tCO ₂ eq/Mwh | - | |
| Total Scope 1 and Scope 2 emissions | tCO ₂ eq/Mwh | 9.31 | 9.26 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover | tCO ₂ eq/Mwh/ Rupee) | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

7. Does the entity have any project related to reducing Greenhouse Gas Emissions? If yes, then provide details.

We have not initiated any project. However, we have been fulfilling the applicable regulations and have taken measures to reduce and control emissions in each reporting cycle.

8. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|---|--|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | 965.35 | 848.45 |
| E-waste (B) | - | - |
| Bio-medical waste (C) | - | - |
| Construction and demolition waste (D) | - | - |
| Battery Waste (E) | - | - |
| Radioactive waste (F) | - | - |
| Other Hazardous waste. Please specify, if any. (G)-oil and grease | 2.33 | 2.80 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) | - | - |
| Total (A+B + C + D + E + F + G + H) | 967.68 | 851.25 |

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

| Category of waste | | |
|---------------------------------|---------------|---------------|
| (i) Recycled | 529.53 | 458.15 |
| (ii) Re-used | - | - |
| (iii) Other recovery operations | - | - |
| Total | 529.53 | 458.15 |

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

| Category of waste | | |
|---------------------------------|---|---|
| (i) Incineration | - | - |
| (ii) Landfilling | - | - |
| (iii) Other disposal operations | - | - |
| Total | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The production of Sugar from Sugarcane is an eco-friendly virtuous cycle. All the by-products generated during the manufacturing process are to be productively utilised viz. bagasse is utilised for power generation; molasses is utilised to produce distillery products and other wastes generated like press mud and ash generated from incineration boilers are utilised for manufacture of organic manure. The Company has also issued guidelines to every units of the Company on the waste management to monitor performance for each unit on a regular basis.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

| S.No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance is being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|-------|--------------------------------|--------------------|--|
| | | | |

None of our operations/ offices are located in or around ecologically sensitive areas where environmental approvals / clearances are required.

BUSINESS RESPONSIBILITY & SUSTAINABILITY

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|---|--|-------------------|
|-----------------------------------|----------------------|------|---|--|-------------------|

We are conscious of our environmental actions and our sugar manufacturing operations. However, we do not conduct EIA for our projects.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the noncompliance | Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken if any |
|--------|---|--------------------------------------|---|--------------------------------|
|--------|---|--------------------------------------|---|--------------------------------|

Yes, we are following all applicable environmental laws, regulations, and guidelines in India.

Leadership Indicators

1. Provide break-up of the total energy consumed (in joules or multiples) from renewable and non-renewable sources, in the following format:

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|-------------------------------------|--------------------------------------|
| From renewable sources (In Gigajoules) | | |
| Total electricity consumption (A) (Bagasse + Slop) | 7,22,726.00 | 7,44,670.00 |
| Total fuel consumption (B) | 318.65 | 344.00 |
| Energy consumption through other sources (C) | 00 | 00 |
| Total energy consumed from renewable sources (A+B+C) | 723050.65 | 745014.00 |
| From non-renewable sources (In Gigajoules) | | |
| Total electricity consumption (D) (Corporate offices) | - | - |
| Total fuel consumption (E) (Diesel) | - | - |
| Energy consumption through other sources (F) | - | - |
| Total energy consumed from non-renewable sources (D+E+F) | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

2. Provide the following details related to water discharged:

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|-------------------------------------|--------------------------------------|
| Water discharge by destination and level of treatment (in kiloliters) | | |
| (i) To Surface water | | |
| - No treatment | | |
| - With treatment – discharge after secondary & tertiary treatment* | 554177.00 | 588707.00 |
| (ii) To Groundwater | | |

| | | |
|--|-----------|-----------|
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iii) To Seawater | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (iv) Sent to third parties | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| (v) Others | | |
| - No treatment | - | - |
| - With treatment – please specify level of treatment | - | - |
| Total water discharged (in kiloliters) | 554177.00 | 588707.00 |

*The total water discharged is for Sugar units only.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

3. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

The Company has operations in 4 locations,

1. Village Libberheri, Tehsil Roorkee, District Haridwar Uttarakhand-247667
2. Village Barkatpur, Tehsil Najibabad District Bijnor (U.P.)
3. Village Khaikheri Tehsil & District Muzaffarnagar (U.P.)
4. Village Shermau, Tehsil Nakur, District Saharanpur (U.P.)

I. Name of the area: we do not have operations in water stressed areas

II. Nature of operations: Sugar Manufacturing

III. Water withdrawal, consumption, and discharge in the following format:

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|---|--|
| Water withdrawal by source (in kiloliters) | | |
| (i) Surface water | | |
| (ii) Groundwater | | |
| (iii) Third party water | | |
| (iv) Seawater / desalinated water | | |
| (v) Others (Recycled) Recovered water from Treated Effluent | | |
| Total volume of water withdrawal (in kiloliters) | | |
| Total volume of water consumption (in kiloliters) | | |
| Water intensity per rupee of turnover (Water consumed / turnover) | | |
| Water intensity (optional) – the relevant metric may be selected by the entity | | |
| Water discharge by destination and level of treatment (in kiloliters) | | |
| (i) Into Surface water | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (ii) Into Groundwater | | |

Not Applicable, since we don't have operation in water stressed area.

Not Applicable, since we don't have operation in water stressed area.

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|---|--|
| - No treatment | Not Applicable, since we don't have operation in water stressed area. | |
| - With treatment – please specify level of treatment | | |
| (iii) Into Seawater | | |
| - No treatment | Not Applicable, since we don't have operation in water stressed area. | |
| - With treatment – please specify level of treatment | | |
| (iv) Sent to third parties | | |
| - No treatment | Not Applicable, since we don't have operation in water stressed area. | |
| - With treatment – please specify level of treatment | | |
| (v) Others | | |
| - No treatment | Not Applicable, since we don't have operation in water stressed area. | |
| - With treatment – please specify level of treatment | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

At present, we do not calculate the scope 3 emissions.

| Parameter | Unit | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|---|---------------------------------|--|---|
| Total Scope 3 emissions* (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | We are not determining scope 3 emissions till now but this is our target to determine details of total scope 3 emission and its intensity in the meantime. | |
| Total Scope 3 emissions per rupee of turnover | Metric tonnes of CO2 equivalent | | |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity | Metric tonnes of CO2 equivalent | | |

*Scope 3 emissions pertains to the greenhouse gas emissions through our supply chain activities.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Since we do not have any operations in ecologically sensitive areas as mentioned above in essential indicator question 10, assessment of direct and indirect impact of our operations on biodiversity is not applicable to us.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| S. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|-------|---|---|--|
| 1. | Use of released emissions to operate distillery unit | <p>Latest emission control technology (ESP) is installed along with boiler.</p> <p>To reduce ambient air pollution caused by suspended particulate matter, we added wet scrubbers (benchmark below 150 PPM and target below 100 PPM).</p> | <p>Saving in fuel and ground water extraction and reducing in emission.</p> <p>Environmental innovation, employee awareness building, reduced emissions, and sustainable technology adoption.</p> |
| 2. | Effluent Management | <p>MEE is installed to concentrate the distillery effluents and generate slop which is being used as supplementary fuel in boiler.</p> <p>Effluent generated in plant treated by ETP plant by achieving all parameters as per CPCB guidelines and treated water is being used for irrigation.</p> <p>Effluent generated in plant treated by ETP plant by achieving all parameters as per CPCB guidelines and treated water is being for irrigation.</p> | <p>Saving in fuel and ground water extraction and reducing in emission.</p> <p>Through the treatment of wastewater that is usually released into the environment is reduced thus improving the environment's health.</p> <p>Through the treatment of waste water, the amount of waster that is easily released into the environment reduced thus improving the environment health.</p> |
| 3. | Renewable Energy Initiative | <p>Slop which is use as supplementary fuel.</p> <p>USML invested in advance equipment and technology to conserve electricity and use it judiciously. As a long-term hedge, the organization has generated proprietary renewable (co-generated) power. During the period between 2022-23 , the USML consumed 307.78 lakhs units within its system and sold 312.69 lakhs units to the state electricity grid. USML also switched from using incandescent lights to LEDs in order to save more energy.</p> <p>We have sold 49945220 kwh in Fy 2021-22 and 52468388 kwh in Fy-2022-23.</p> | <p>Saving in fuel and ground water extraction and reducing in emission.</p> <p>Energy conservation and sustainable operations.</p> |
| 4. | Sulphate removal from Spray Pond and cooling Tower water overflow | <p>In distillery CPU is installed to treat all weak effluents and recycle it to process.</p> <p>In sugar unit syrup is not clarified by SO₂ gas, so there is no sulphates residue in cooling tower overflow water.</p> <p>In sugar unit syrup is not clarified by SO₂, so there is no sulphate residue in cooling tower.</p> <p>In sulphitation sugar plant some sulphur dissolve in cooling water & during discharge of excess water from these cooling tower it create environmental concerns. USML Barkatpur install a Lamella clarifier to remove the sulphatges effectively.</p> | <p>Saving in fuel and ground water extraction and reducing in emission.</p> <p>Discharged water as per the CPCB norms, with no negative environmental impacts.</p> <p>No negative environment impact.</p> <p>The water discharge is as per CPCB norms & having no negative environmental impacts.</p> |
| 5. | Zero-Ground Water Extraction | <p>The Company is strengthening its environment commitment through a zero-ground water extraction focus through enhanced treatment and recycling.</p> | <p>It will boost water conservation practices and environment sustainability.</p> |

BUSINESS RESPONSIBILITY & SUSTAINABILITY

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

There is a Disaster Management plan and onsite emergency plan for each unit of the Company. The plan aims to contain the incident, reduce casualties, and prevent further injuries, implement migratory measures, conduct a swift and efficient relief and rescue operation without needless delay, hasten the return of normalcy, and ensure that every member of the emergency operation, including the response team and employees, is aware of their respective responsibilities in an emergency. Additionally, each unit has a manufacturing license and all other necessary approvals for commercial operation.

8. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not applicable

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

None of our value chain partners were assessed for environmental impacts.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

We are affiliated with 3 trade and industry chambers including Indian Sugar Mills Association, UP Sugar Mills Association, UP Sugar Mills Co Gen Association.

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

| S. No | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|-------|---|---|
| 1. | Indian Sugar Mills Association (ISMA) | National |
| 2. | UP Sugar Mill Association (UPSMA) | State |
| 3. | UP Sugar Mills Co Gen Association | State |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
|-------------------|-------------------|-------------------------|

No corrective action has been carried out for anti-competitive conduct since we do not have any cases pertaining to the same during the reporting cycle.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

| S.No. | Public policy advocated | Method resorted for such advocacy | Whether information available in the public domain? (Yes/No) | Frequency of Review by Board (Annually/Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|-------|-------------------------|-----------------------------------|--|--|------------------------|
|-------|-------------------------|-----------------------------------|--|--|------------------------|

We do not engage in public policy advocacy

Principle 8: Businesses should promote inclusive growth and equitable development.**Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
|-----------------------------------|----------------------|----------------------|---|--|-------------------|

Not applicable, as there were no projects that required Social Impact Assessments as per applicable law.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

| S.No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % Of PAFs covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|-------|--|-------|----------|---|--------------------------|---|
|-------|--|-------|----------|---|--------------------------|---|

Not applicable, as there were no projects that require rehabilitation and resettlement (R&R) as per applicable law in the current year.

3. **Describe the mechanisms to receive and redress grievances of the community.**

Yes. However, no complaints were received in either the current or previous year.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

The Company procures sugarcane from the local/nearby farmers in the neighboring area of the sugar mills.

| Parameters | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|-------------------------------------|--------------------------------------|
| Directly sourced from MSMEs/ small producers (Farmers)* | 100% | 100% |
| Sourced directly from within the district and neighboring districts* | 100% | 100% |

*All the sugarcane is procured from MSME/Small producers (farmers) within the district and neighboring districts.

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
|--|-------------------------|

Since, as there were no projects that required Social Impact Assessments as per law, no corrective actions to mitigate the negative impacts of the same have been taken.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

| S.No. | State | Aspirational District | Amount spent (In INR) |
|-------|-------|-----------------------|-----------------------|
|-------|-------|-----------------------|-----------------------|

We are not carrying any CSR projects in aspirational districts.

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

The Company being from the sugar industry major suppliers are the farmers. Hence Company is procuring all the sugarcane from all the farmers.

- (b) **From which marginalized /vulnerable groups do you procure?**

We procure 100% of cane from farmers.

BUSINESS RESPONSIBILITY & SUSTAINABILITY

(c) What percentage of total procurement (by value) does it constitute?

100% of our procurement are from local farmers from within the districts or neighboring districts.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S.No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|-------|--|--------------------------|---------------------------|------------------------------------|
|-------|--|--------------------------|---------------------------|------------------------------------|

We do not engage in intellectual property based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
|-------------------|-------------------|-------------------------|

Corrective action is not applicable since we do not engage in any intellectual property activities.

6. Details of beneficiaries of CSR Projects:

| S.No. | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|-------|-------------|--|--|
|-------|-------------|--|--|

Not Applicable as we do not have any CSR projects. All the CSR initiatives have been undertaken by the Company in the Neighboring villages/districts in which our company operates resulting in benefit to the locals/ general public.

Weblink to CSR policies- http://www.uttamsugar.in/adminpanel/product_image/b5ac1a2f7751acec33bc5bdaca94a1f0Corporate%20Social%20Responsibility%20Policyy.pdf

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The consumer can reach out to the company in multiple modes. For any Grievance the consumers can contact the Company through telephonically or through e-mails. Consumers can also raised their issues to the sales representative or channel partner with whom the customer is dealing. We make sure that all the grievance raised by the consumers through any mode of communication are tackled and addressed appropriately.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 100% |
| Safe and responsible usage | 100% |
| Recycling and/or safe disposal | 100% |

3. Number of consumer complaints in respect of the following:

We generally do not receive complaints with respect to the parameters mentioned, as we ensure & maintain ethics, transparency and accountability in all our business operations.

| | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|--------------------------------|--|-----------------------------------|-----------------------------|---|-----------------------------------|---------|
| | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy | | | No complaints were received | | | |
| Advertising | | | | | | |
| Cyber-security | | | | | | |
| Delivery of essential services | | | | | | |
| Restrictive Trade Practices | | | | | | |
| Unfair Trade Practices | | | | | | |

4. Details of instances of product recalls on account of safety issues:

There are no instances of product recalls or forced recalls on account of safety issue.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

No, although we don't currently have a formal cybersecurity framework or policy in place. Our servers are restricted to internal use only and protected by a firewall. We take such measures on regular interval so that cyber security can remain intact. We have installed firewalls and server to further secure our operations.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of consumers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No known data breach / incident related to Customer data. Hence, not applicable. However, on a continuous basis, the Company keeps enhancing its IT Security Posture as part of Cyber Security preparedness, by implementing tools, practices, policies, awareness etc.

Leadership Indicators**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Our website can be accessed for product-related details. Here is the weblink to our - Products: http://www.uttamsugar.in/product.php?category_name=for-industry-usage

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Apart from the labels that give out specific information related to our products, website of the Company, Social media platforms etc are used to communicate about safe and responsible usage of products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

We have established robust mechanisms to monitor and manage any potential risks of disruption or discontinuation of our essential services. In case of any such risk, we inform our customers through various channels, including our website and direct communication. This helps us to ensure that our customers are well informed and can take the necessary steps to mitigate any potential impact. Additionally, we continuously review and update our contingency plans to ensure that we are always prepared to manage any unexpected disruptions.

BUSINESS RESPONSIBILITY & SUSTAINABILITY

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

No. we follow the regulation/bye laws for the product packaging and information to be contained in the product packaging.

5. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No, we have not conducted any surveys on customer satisfaction as of now.

6. Provide the following information relating to data breaches:

a. Number of instances of data breaches along with impact.

We have not received any reports of data breaches since our system is cloud-based and limited to our premises only.

b. Percentage of data breaches involving personally identifiable information of consumers.

Not Applicable

(Annexure – VI)**CORPORATE GOVERNANCE REPORT 2022-23****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

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

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

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

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

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

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

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

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

During the Financial Year 2022-23, 5 (Five) Board Meetings were held and all the meetings of the Board were convened as per the requirements of the Companies Act, 2013 and other applicable laws. Director's attendance at the Board meetings and in the Last AGM is as follows:-

| Name of Director(s) | No. of Board Meetings Attended | Attendance at Last AGM held on 23 rd September, 2022 |
|----------------------------|--------------------------------|---|
| Mr. Raj Kumar Adlakha | 5 | Yes |
| Mr. Shankar Lal Sharma | 5 | Yes |
| Mr. Gurbachan Singh Matta | 5 | Yes |
| Mr. Narendra Kumar Sawhney | 5 | Yes |
| Mrs. Rutuja Rajendra More | 5 | Yes |
| Mr. Jasbir Singh | 5 | Yes |
| Mr. Ravi Kumar | 3 | No |

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

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

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

* Mr. Gurbachan Singh Matta is also an Independent Director in Chamak Holdings Limited.

**Mr. Gurbachan Singh Matta is also a member in Audit Committee of Chamak Holdings Limited.

#Represents Audit Committee and Stakeholders Relationship Committee.

D. Details of Board Meetings held during the year ended 31st March, 2023:

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

| S. No. | Date of Meetings | No. of Directors Present |
|--------|------------------|--------------------------|
| 1. | 16.05.2022 | 6 |
| 2. | 10.08.2022 | 6 |
| 3. | 14.11.2022 | 7 |
| 4. | 10.01.2023 | 7 |
| 5. | 11.02.2023 | 7 |

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

E. Relationships Between Directors:

None of the Director is related to any other Director and Key Managerial Personnel on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

F. Details of shareholding of Directors are as under:

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

| S. No. | Name of Directors | Shareholding |
|--------|----------------------------|----------------------|
| 1. | Mr. Raj Kumar Adlakha | 16,24,610 Eq. Shares |
| 2. | Mr. Shankar Lal Sharma | Nil |
| 3. | Mr. Gurbachan Singh Matta | Nil |
| 4. | Mr. Narendra Kumar Sawhney | Nil |
| 5. | Mrs. Rutuja Rajendra More | Nil |
| 6. | Mr. Jasbir Singh | Nil |
| 7. | Mr. Ravi Kumar | Nil |

G. Familiarization Programme for Independent Directors

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

This programme seeks to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates and business model of the company etc. In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), one such familiarization programme was conducted during the year on the date of the Board Meeting. Details of Familiarization Programme for Independent Directors is also placed on the website i.e. www.uttamsugar.in and can be accessed at this weblink http://www.uttamsugar.in/adminpanel/product_image/ad6e24835e1cbecac7719250bb808597USML%20Independent%20Director%20Terms%20&%20Conditions.pdf

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

| S. No. | Name of Directors | Skill, Expertise and Competence |
|--------|----------------------------|---|
| 1. | Mr. Raj Kumar Adlakha | Mr. Raj Kumar Adlakha holds degree in B. E. (Mech). Mr. Adlakha is having more than 44 years of industrial experience in managing the operations of industrial undertakings. He was instrumental in setting up of our four sugar manufacturing units, Co-generation Unit and two Distillery Unit under his leadership. |
| 2. | Mr. Shankar Lal Sharma | Mr. Shankar Lal Sharma is a Chartered Accountant and also holds degree in Bachelor of Commerce. Mr. Sharma is having overall 26 years of experience in different areas like commercial, Accounting, Administration, Production planning, Internal control, Legal, Marketing, Plant operation, Project management, Cost control and Cane management etc. He has a vast experience in various industries viz. Oil, Cement, Paper, Steel and Sugar. |
| 3. | Mr. Gurbachan Singh Matta | Mr. Gurbachan Singh Matta has a degree in Bachelor of Science (Hons.) & is a Certified Associate of Indian Institute of Bankers (CAIIB). Mr. Matta is having over 51 years of experience. He has also headed various committees for implementation of Basel II, Core Banking Solutions and Risk Management. He is also a visiting faculty at National Institute of Bank Studies and Corporate Management (NIBSCOM), Noida for lectures on various topics on the Banking Industry like Risk Management, Corporate Governance, Basel II norms, etc. |
| 4. | Mr. Narendra Kumar Sawhney | Mr. Narendra Kumar Sawhney is an Engineer from IIT Madras, Sugar Technologist from National Sugar Institute, Kanpur and MBA in Finance from Faculty of Management Studies, University of Delhi. Mr. Sawhney has an overall experience of over 52 years with various industries on senior positions. Mr. Sawhney is also a corporate advisor to various Sugar companies. |
| 5. | Mrs. Rutuja Rajendra More | Mrs. Rutuja Rajendra More has a degree in Master of Science (Microbiology). Mrs. More is having 29 years experience in Agricultural Microbiology. She has Specialization in Agricultural microbiology with respect to biofertilizers, biopesticides and composting of Agro industrial wastes and its enrichment. She has authored several Articles relating to Sugarcane Cultivation / Development and also published Research papers from time to time. |

| | | |
|----|------------------|--|
| 6. | Mr. Jasbir Singh | Mr. Jasbir Singh holds degree in B.E (Mech), A.N.S.I (Sugar Engg.) F.S.T.A., M.I.E (India). Mr. Singh is having around 52 years of vast experience with various industries. He is also Director (Technical) with National Forum of Sugar Consultants, New Delhi. |
| 7. | Mr. Ravi Kumar | Mr. Ravi Kumar, a seasoned banker with 31 years of experience across Corporate Banking, project finance, credit delivery ,Credit Monitoring, risk assessment & risk mitigation, stress asset management etc. He was part of the top management of IDBI Bank Ltd till April 2021 and was managing portfolio of large/mid corporate group. The role included leading, strategising, directing, controlling, monitoring and overseeing all facets of the large corporate portfolio of the Bank. During his long stint with IDBI, he has worked in various leadership positions with IDBI and handled relationships of various large groups, sectors and industries. |

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

3. AUDIT COMMITTEE

A. Terms of Reference:-

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

B. Composition, Name of Members and Chairperson:-

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

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

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

C. Meetings and Attendance:-

During the Financial Year 2022-23, 4 (Four) Audit Committee Meetings were held on 16.05.2022, 10.08.2022, 14.11.2022 and 11.02.2023. The attendance of the members is as follows:-

| S. No. | Name | Attendance |
|--------|----------------------------|------------|
| 1. | Mr. Narendra Kumar Sawhney | 4 |
| 2. | Mr. Jasbir Singh | 4 |
| 3. | Mr. Gurbachan Singh Matta | 4 |

Mr. Rajesh Garg, Company Secretary & Compliance Officer acts as secretary to the committee.

4. NOMINATION & REMUNERATION COMMITTEE

A. Terms of Reference:-

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

B. Composition, Name of Members and Chairman:-

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

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

C. Meetings and attendance:-

During the Financial Year 2022-23, 2 (Two) Nomination and Remuneration Committee meetings were held on 10.08.2022 and 11.02.2023. The attendance of the members is as follows:-

| S. No. | Name | Attendance |
|--------|----------------------------|------------|
| 1. | Mr. Narendra Kumar Sawhney | 2 |
| 2. | Mr. Jasbir Singh | 2 |
| 3. | Mr. Gurbachan Singh Matta | 2 |

D. Performance evaluation criteria:-

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

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

5. STAKEHOLDER'S RELATIONSHIP COMMITTEE

A. Terms of Reference:-

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

B. Composition, Name of Members and Chairman:-

The following Directors are the present members of Stakeholder's Relationship Committee:-

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

C. Meetings and attendance:-

During the Financial Year 2022-23, 5 (Five) Stakeholders Relationship Committee Meetings were held on 16.05.2022, 10.08.2022, 14.11.2022, 11.02.2023 and 31.03.2023.

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

D. Shareholders Complaints:-

During the year 2022-23, no complaint was received from Shareholders and there were no pending complaints as on 31st March, 2023. Other details pertaining to the Stakeholders Relationship Committee are given below:

| | | |
|----|---|---|
| a) | Name of Chairman heading the Committee | Mr. Gurbachan Singh Matta (Non-Executive & Non-Independent Director) |
| b) | Name & Designation of Compliance Officer | Mr. Rajesh Garg (Company Secretary & Compliance Officer) |
| c) | Number of shareholders' complaints received so far | NIL |
| d) | Number of complaints not solved to the satisfaction of shareholders | NIL |
| e) | Number of pending complaints | NIL |

6. RISK MANAGEMENT COMMITTEE

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

A. Terms of Reference:-

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

- a) Formulation of a detailed risk management policy which shall include:
 - framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - Measures for risk mitigation including systems and processes for internal control of identified risks;
 - Business continuity plan
- b) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c) Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

B. Composition, Name of Members and Chairman:-

The following Directors are the present members of Risk Management Committee:-

| S. No. | Name | Designation | Category |
|--------|----------------------------|-------------|-----------------------------|
| 1. | Mr. Shankar Lal Sharma | Chairman | Executive |
| 2. | Mr. Narendra Kumar Sawhney | Member | Non-Executive & Independent |
| 3. | Mr. Sanjay Bhandari | Member | Chief Financial Officer |

C. Meetings and attendance:-

During the Financial Year 2022-23, 2 (Two) Risk Management Committee Meetings were held on 10.08.2022 and 02.02.2023.

| S. No. | Name | Attendance |
|--------|----------------------------|------------|
| 1. | Mr. Shankar Lal Sharma | 2 |
| 2. | Mr. Narendra Kumar Sawhney | 2 |
| 3. | Mr. Sanjay Bhandari | 2 |

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

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

| S. No. | Name | Designation | Category |
|--------|----------------------------|-------------|--------------------------------------|
| 1. | Mr. Raj Kumar Adlakha | Chairman | Promoter & Executive |
| 2. | Mr. Shankar Lal Sharma | Member | Non-Promoter & Executive |
| 3. | Mr. Narendra Kumar Sawhney | Member | Non-Executive & Independent Director |

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

During the year one meeting of the Corporate Social Responsibility Committee was held on 16th May, 2022. Mr. Raj Kumar Adlakha, Mr. Shankar Lal Sharma and Mr. Narendra Kumar Sawhney attended the said Meeting.

8. REMUNERATION OF DIRECTORS

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

The Company has not paid any sitting fees to Executive Directors for any Board / Committee Meetings attended by them. All Non-Executive Directors were paid sitting fees for the Board / Audit Committee Meetings attended by them during the Financial Year 2022-23. Apart from sitting fee Company is paying monthly remuneration to each Non-Executive Director including Independent Directors of the Company for their active guidance and participation in steering the company's affairs. The remuneration to the Non-Executive Directors including Independent Director is within the scale approved by the shareholders.

Details of remuneration paid to the Directors for the year ended 31st March, 2023 are as under:-

The remuneration paid to Managing Director, Whole-Time Director and all other Non – Executive Directors including Independent Directors of the Company for the financial year ended on 31st March, 2023 are as follows:-
(₹ in Lakhs)

| S. No. | Name of the Directors | Salary | Perquisites / Benefits | Commission / Bonus | Sitting Fee | Total | Service Contracts |
|--------|----------------------------|--------|------------------------|--------------------|-------------|---------|--|
| 1. | Mr. Raj Kumar Adlakha | 408.00 | 11.80 | 700.00 | - | 1119.80 | Re-appointed as Managing Director by the shareholders of the Company in the 26 th AGM upto 31 st March, 2024. |
| 2. | Mr. Shankar Lal Sharma | 49.50 | 23.06 | - | - | 72.56 | Appointed as Whole Time Director by the shareholders of the Company in the 26 th AGM upto 31 st December, 2023. |
| 3. | Mr. Gurbachan Singh Matta | 12.00 | - | - | 1.65 | 13.65 | Appointed as an Non-Executive Non-Independent Director by the shareholders of the Company in the 26 th AGM upto 29 th September, 2025. |
| 4. | Mr. Narendra Kumar Sawhney | 12.00 | - | - | 1.65 | 13.65 | Re-appointed as an Independent Director by the shareholders of the Company in the 24 th AGM upto 19 th September, 2024. |
| 5. | Mrs. Rutuja Rajendra More | 12.00 | - | - | 1.25 | 13.25 | Re-appointed as an Independent Director by the shareholders of the Company in the 24 th AGM upto 19 th September, 2024. |
| 6. | Mr. Jasbir Singh | 12.00 | - | - | 1.65 | 13.65 | Appointed as an Non-Executive Independent Director by the shareholders of the Company in the 26 th AGM upto 29 th September, 2025. |
| 7. | Mr. Ravi Kumar | 3.96 | - | - | 0.75 | 4.71 | Appointed as an Non-Executive Independent Director by the shareholders of the Company in the 27 th AGM upto 09 th August, 2027. |

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

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

9. GENERAL BODY MEETINGS

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

| Meeting | Date | Venue of AGM | Time | Special Resolutions Passed |
|----------------------|------------|---|------------|--|
| 25 th AGM | 25.09.2020 | Through video conferencing/Other Audio Visual Means | 12.00 Noon | ➤ Further Issue of Securities. |
| 26 th AGM | 17.09.2021 | Through video conferencing/Other Audio Visual Means | 12.00 Noon | <ul style="list-style-type: none"> ➤ Appointment of Mr. Shankar Lal Sharma (DIN: 09018381) as Whole Time Director and Approval of remuneration. ➤ Re-appointment of Mr. Raj Kumar Adlakha (DIN: 00133256), Managing Director and Approval of remuneration. ➤ Appointment of Mr. Gurbachan Singh Matta (DIN: 02612602) as Non-Executive Director (Non-Independent). ➤ Appointment of Mr. Jasbir Singh (DIN: 08897793) as an Independent Director. ➤ Payment of Remuneration to Non-Executive Directors including Independent Directors. ➤ Further Issue of Securities |
| 27 th AGM | 23.09.2022 | Through video conferencing/Other Audio Visual Means | 12.00 Noon | ➤ Appointment of Mr. Ravi Kumar (DIN: 02362615) as an Independent Director. |

b) Resolution passed through Postal Ballot

During the financial year i.e. 2022-23, the Company has not passed any Special Resolution through Postal Ballot. No resolution is proposed to be passed in the ensuing AGM through postal ballot.

10. MEANS OF COMMUNICATION

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

11. GENERAL SHAREHOLDER INFORMATION

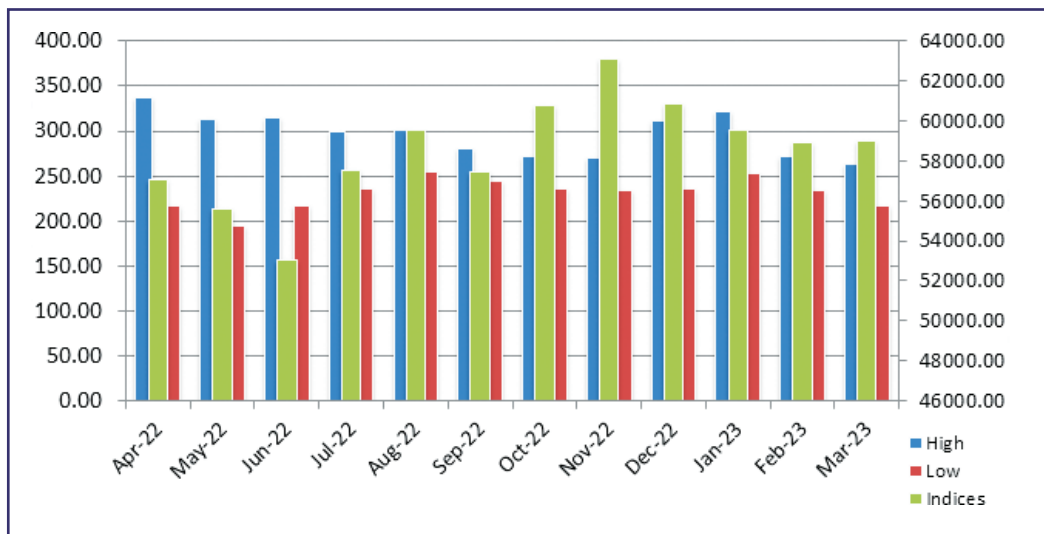
| | | |
|-----|--|---|
| a) | AGM Date, time and venue | Friday, 22 nd September, 2023 at 12.00 Noon through Video Conferencing/Other Audio Visual Means |
| b) | Financial Year | 1 st April, 2022 to 31 st March, 2023 |
| | Financial Calendar 2023-24 (Tentative Schedule) Results for quarter ending: | |
| | i. 30 th June, 2023 | On or before 14 th day of August, 2023 |
| | ii. 30 th September, 2023 | On or before 14 th day of November, 2023 |
| | iii. 31 st December, 2023 | On or before 14 th day of February, 2024 |
| | iv. 31 st March, 2024 | On or before 30 th day of May, 2024 |
| | Book Closure Date | Saturday, 16 th September, 2023 to Friday, 22 nd September, 2023 (both days inclusive). |
| (c) | Dividend Payment Date | Will be paid within 30 days of AGM |

| | | |
|-----|---|---|
| (d) | Listing on Stock Exchange | <p>National Stock Exchange of India Limited Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051</p> <p>BSE Limited 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001</p> <p>Note: Your Company has already paid the Listing fees to both the Stock Exchanges for the F.Y. 2022-23 & F.Y. 2023-24.</p> |
| (e) | Stock Code National Stock Exchange of India Ltd BSE Limited | UTTAMSUGAR 532729 |

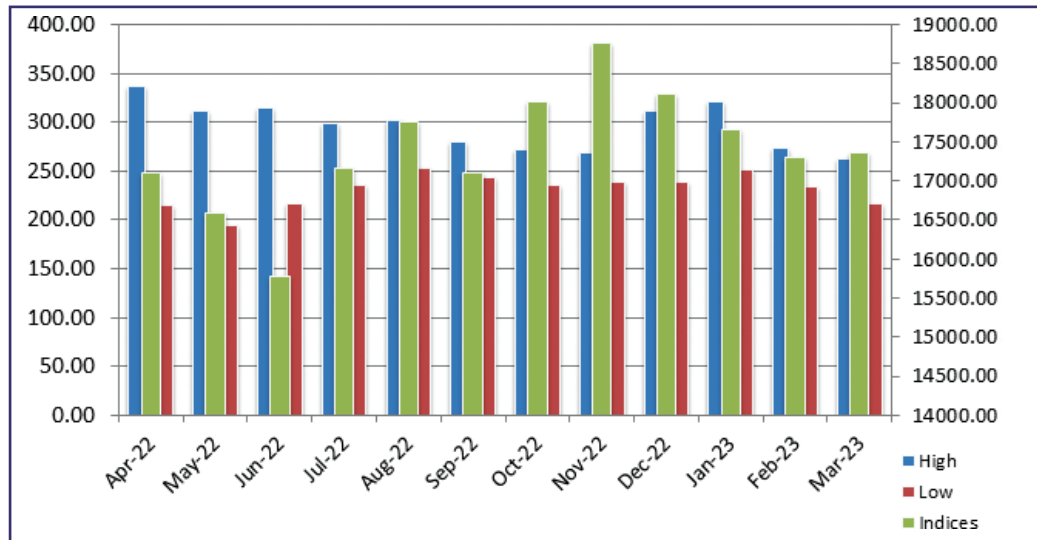
f) Market Price Data High/ Low during each month of the Financial Year 2022-23:
(BSE and NSE)

| Month | BSE | | NSE | |
|--------------|----------|---------|----------|---------|
| | High (₹) | Low (₹) | High (₹) | Low (₹) |
| April'22 | 337.30 | 216.10 | 337.15 | 215.50 |
| May'22 | 312.60 | 194.05 | 311.80 | 194.00 |
| June'22 | 315.10 | 216.65 | 314.70 | 216.05 |
| July'22 | 298.50 | 235.50 | 298.90 | 235.50 |
| August'22 | 301.50 | 253.80 | 302.00 | 253.65 |
| September'22 | 280.00 | 244.30 | 279.90 | 243.05 |
| October' 22 | 271.95 | 236.00 | 272.00 | 236.15 |
| November' 22 | 269.70 | 233.75 | 269.20 | 238.00 |
| December' 22 | 311.45 | 236.05 | 311.80 | 238.00 |
| January'23 | 321.50 | 252.00 | 321.70 | 252.05 |
| February'23 | 271.90 | 234.05 | 273.00 | 234.10 |
| March'23 | 263.25 | 216.00 | 262.90 | 216.00 |

USML SHARE PRICE & BSE SENSEX



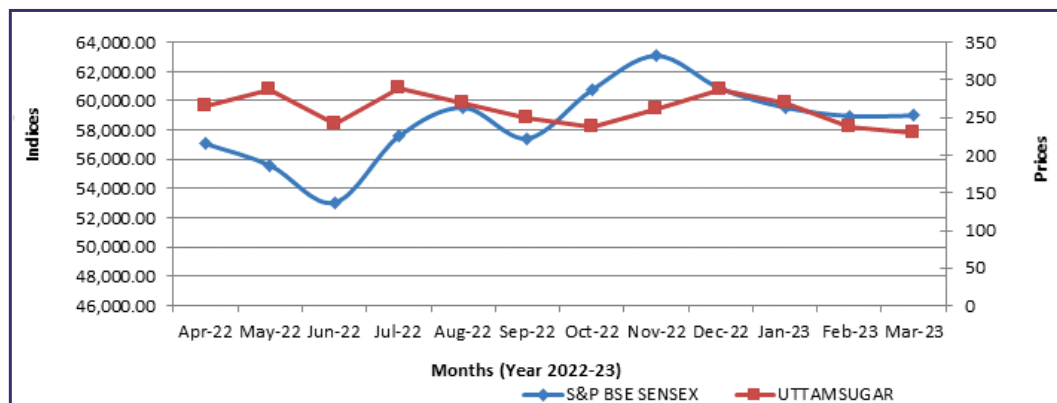
USML SHARE PRICE & NSE NIFTY



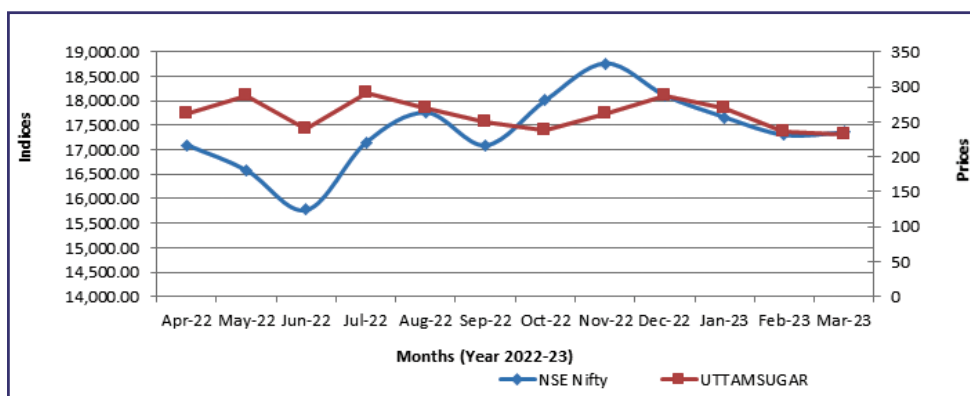
g) Relative performance of Uttam Sugar's Share versus BSE SENSEX AND NSE NIFTY:

| Month | BSE | | NSE | |
|--------------|----------------|------------------|-----------|------------------|
| | S&P BSE SENSEX | USML Share price | NSE Nifty | USML Share price |
| April'22 | 57,060.87 | 264.50 | 17,102.55 | 262.70 |
| May'22 | 55566.41 | 287.65 | 16,584.55 | 287.10 |
| June'22 | 53,018.94 | 242.45 | 15,780.25 | 239.75 |
| July'22 | 57,570.25 | 289.55 | 17,158.25 | 290.95 |
| August'22 | 59,537.07 | 269.50 | 17,759.30 | 269.60 |
| September'22 | 57,426.92 | 250.35 | 17,094.35 | 249.95 |
| October' 22 | 60,746.59 | 238.55 | 18,012.20 | 238.50 |
| November' 22 | 63,099.65 | 261.30 | 18,758.35 | 261.90 |
| December' 22 | 60,840.74 | 287.70 | 18,105.30 | 288.00 |
| January'23 | 59,549.90 | 268.70 | 17,662.15 | 268.90 |
| February'23 | 58,962.12 | 237.15 | 17,303.95 | 236.75 |
| March'23 | 58,991.52 | 230.60 | 17,359.75 | 231.30 |

USML SHARE PRICE & BSE SENSEX



USML SHARE PRICE & NSE NIFTY



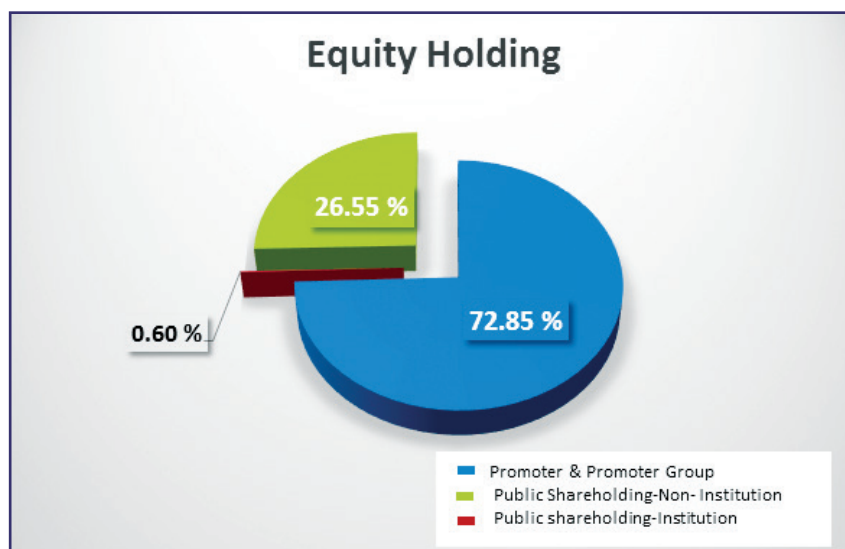
| | | |
|----|--|---|
| h) | Suspension from trading | There was no suspension of trading of equity shares of the Company ordered by BSE & NSE. |
| i) | Registrars and Share Transfer Agents (for physical & demat shares) | Link Intime India Private Limited Noble Heights, 1 st floor, Plot No NH-2, C-1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

k) Distribution of Equity Shareholding as on 31st March, 2023

(i) Category of Equity Shareholders as on 31.03.2023

| S. No | Category of Shareholders | Total Number of Equity Shares | % of Shares |
|------------|--|-------------------------------|--------------|
| (A) | Shareholding of Promoters and Promoters Group | | |
| (1) | Indian | | |
| (a) | Individuals/Hindu Undivided Family | 47,65,139 | 12.49 |
| (b) | Bodies Corporate | 2,30,18,114 | 60.35 |
| (2) | Foreign | - | - |
| | Total Shareholding of Promoters and Promoters Group (A) | 2,77,83,253 | 72.85 |
| (B) | Public Shareholding | | |
| (1) | Institutions | | |
| (a) | Financial Institutions/Banks | 0.00 | 0.00 |
| (b) | Alternate Investment Funds | 15,000 | 0.04 |
| (c) | Foreign Portfolio Investors | 2,15,075 | 0.56 |
| | Sub-Total (B)(1) | 2,30,075 | 0.60 |

| | | | |
|---------------|--|--------------------|---------------|
| (B)(2) | Non-Institutions | | |
| (a) | Bodies Corporate | 5,54,934 | 1.46 |
| (b) | Individuals : | | |
| (i) | Individual Shareholders holding nominal share capital up to ₹ 2 lakhs | 39,13,339 | 10.26 |
| (ii) | Individual Shareholders holding nominal share capital in excess of ₹ 2 lakhs | 48,38,536 | 12.69 |
| (c) | Any others: | | |
| (i) | Trust | - | - |
| (ii) | Foreign Nationals and Non Resident Indians | 1,90,884 | 0.50 |
| (iii) | Clearing Members | 46,155 | 0.12 |
| (iv) | HUF | 5,64,296 | 1.48 |
| (v) | LLP | 16,648 | 0.04 |
| | Sub-Total (B)(2) | 1,01,24,792 | 26.55 |
| | Total Public Shareholding (B) = (B)(1) + (B)(2) | 1,03,54,867 | 27.15 |
| | TOTAL (A) + (B) | 3,81,38,120 | 100.00 |



(ii) Distribution of Equity Shareholding as on the 31.03.2023

| S. No. | No. of Equity Shares held | Number of Shareholders holding shares in each category | | No. of shares held in each category | % of Equity Capital held in each category |
|--------|---------------------------|--|---------------|-------------------------------------|---|
| | | No. | % | | |
| 1. | 1 to 500 | 22743 | 93.77 | 1601991 | 4.20 |
| 2. | 501 to 1,000 | 726 | 2.99 | 571368 | 1.50 |
| 3. | 1,001 to 2,000 | 378 | 1.56 | 573450 | 1.50 |
| 4. | 2,001 to 3,000 | 118 | 0.49 | 305538 | 0.80 |
| 5. | 3,001 to 4,000 | 69 | 0.28 | 254070 | 0.67 |
| 6. | 4,001 to 5,000 | 52 | 0.21 | 242861 | 0.64 |
| 7. | 5,001 to 10,000 | 76 | 0.31 | 556096 | 1.46 |
| 8. | 10,001 to above | 93 | 0.38 | 34032746 | 89.24 |
| | TOTAL | 24255 | 100.00 | 38138120 | 100.00 |

CORPORATE GOVERNANCE REPORT

| l) Dematerialization of shares and liquidity | As on March 31 st , 2023, 1,42,339 Equity Shares of the Company (0.37% of the total issued Equity Capital) were held in physical form and 3,79,95,781 Equity Shares (99.63% of the total issued Equity Capital) were held in dematerialized form. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors. | | | | | | |
|--|--|-----------------------|------|--|---------------------------|---|-----------------|
| m) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on Equity | Not Applicable | | | | | | |
| n) Commodity price risk or foreign exchange risk and hedging activities | Nil | | | | | | |
| o) Plant locations | <p>Unit - I Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand</p> <p>Unit - II Village Barkatpur, Tehsil Nazibabad, District Bijnor, U.P.</p> <p>Unit - III Village Khaikheri, Tehsil & District Muzaffarnagar, U.P.</p> <p>Unit - IV Village Shermau, Tehsil Nakur, Distt: Saharanpur, U.P.</p> | | | | | | |
| p) Address for correspondence | <p>Registrar & Share Transfer Agent (For Dematerialisation and Share Transfer related query) Link Intime India Private Limited Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058. Tel. :- 011-4141 0592-94 Telefax :- 011-4141 0591</p> <p>Company (For Annual Report and any other related matters) Company Secretary, Uttam Sugar Mills Ltd. A-2E, IIIrd Floor, C.M.A. Tower, Sector – 24, Noida-201301 (U.P.)</p> | | | | | | |
| q) List of Credit Ratings Obtained from Rating Agencies | <p>During the year under review Care Ratings Ltd. had assigned/revised following Ratings:-</p> <table border="1" data-bbox="863 1517 1465 1768"> <thead> <tr> <th>Type of Credit Rating</th> <th>CARE</th> </tr> </thead> <tbody> <tr> <td>Rating on Long Term Bank Facilities: (Term Loan/Fund based)</td> <td>CARE BBB Stable</td> </tr> <tr> <td>Rating on Short Term Bank Facilities: (Non-Fund Based)</td> <td>CARE A3+</td> </tr> </tbody> </table> | Type of Credit Rating | CARE | Rating on Long Term Bank Facilities: (Term Loan/Fund based) | CARE BBB Stable | Rating on Short Term Bank Facilities: (Non-Fund Based) | CARE A3+ |
| Type of Credit Rating | CARE | | | | | | |
| Rating on Long Term Bank Facilities: (Term Loan/Fund based) | CARE BBB Stable | | | | | | |
| Rating on Short Term Bank Facilities: (Non-Fund Based) | CARE A3+ | | | | | | |

12. OTHER DISCLOSURE

- a) There have been no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management or relatives etc. which may have potential conflict with the interests of the Company at large.

- b) There have been no instances of non-compliance with any of the legal provisions of law made by the Company or any penalty or strictures imposed by the stock exchange or SEBI or any other statutory authority on any matter related to the capital markets during the last 3 years.
- c) The Company has in place vigil mechanism/whistle blower policy under which employees can report any violations of applicable laws and regulations and the Code of Conduct of the Company. Vigil Mechanism/Whistle Blower Policy of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.
- d) The Company has complied with all the mandatory requirements of Listing Regulations.
- e) The Company does not have any Subsidiary Company. Therefore, policy for determining 'material' subsidiaries is not required to be framed.
- f) The Company has in place Policy for Related Party Transactions and the same is placed on Company's website i.e. www.uttamsugar.in and weblink of the same is http://www.uttamsugar.in/adminpanel/product_image/75a4453036148e2695b605fa182bc676Policy%20on%20Related%20Party%20Transactions.pdf
- g) Information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.
- h) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- i) A certificate from a Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board, Ministry of Corporate Affairs or any such statutory authority, forms part of this report.
- j) There were no instances where the Board has not accepted any recommendation of any committee of the board which was mandatorily required during the financial year in concern.
- k) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network of the statutory auditor is ₹24.60 Lakhs.
- l) There were no complaints filed/pending/disposed of in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year in concern.
- m) A qualified Practicing Company Secretary has carried out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The said Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- n) The Company does not have any subsidiary/material subsidiary.

13. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) - NIL

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

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

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

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

16. DISCLOSURE REGARDING SHARES IN SUSPENSE ACCOUNT

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

CORPORATE GOVERNANCE REPORT

17. INDEPENDENT DIRECTORS

The Board of the Company has been duly constituted with an optimum combination of Executive Directors, Non-Executive and Independent Directors. The Board of the Company comprises of following 4 (Four) Independent Directors:

- i) Mr. Narendra Kumar Sawhney
- ii) Mrs. Rutuja Rajendra More
- iii) Mr. Jasbir Singh
- iv) Mr. Ravi Kumar

Meeting of Independent Directors

As required by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a Meeting of the Independent Directors of the Company was convened on 16th May, 2022 to oversee and review the performance of Non-Independent Directors and of the Board as a whole. In the meeting members has also done performance evaluation of Managing Director of the Company.

Declaration by independent directors

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

18. MANAGEMENT DISCUSSION AND ANALYSIS

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

19. CEO/CFO CERTIFICATION

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

20. COMPLIANCE CERTIFICATION

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

21. CODE OF CONDUCTS

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

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Uttam Sugar Mills Limited

We have examined the compliance of the conditions of Corporate Governance by Uttam Sugar Mills Ltd. for the financial year ended on 31st March, 2023 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C&D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations. We further state that such compliance is neither an assurance as to the future viability of the Company nor to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For N.K. RASTOGI & ASSOCIATES Company Secretaries

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

Place : Noida
Date : 11th August, 2023
UDIN : F003685E000784498

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

The members,

I, Raj Kumar Adlakha, Managing Director, hereby declare that all the Board Members and Senior Management personnel have affirmed compliance with code of conduct of the Company during the financial year 2022-23.

Place : Noida

Date : 11th August, 2023

(RAJ KUMAR ADLAKHA)

MANAGING DIRECTOR

(DIN : 00133256)

CEO/CFO CERTIFICATION – FINANCIAL YEAR ENDED 31.03.2023

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

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

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
- i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For UTTAM SUGAR MILLS LIMITED

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

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

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

Place : Noida

Date : 11th August, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

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

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

Place : Noida

Date : 11th August, 2023

UDIN : F003685E000784487

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

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

A. GLOBAL ECONOMIC OUTLOOK

After growing 3.1 percent last year, the global economy is set to slow substantially in 2023, to 2.1 percent, amid continued monetary policy tightening to rein in high inflation, before a tepid recovery in 2024, to 2.4 percent. Tight global financial conditions and subdued external demand are expected to weigh on growth across emerging market and developing economies (EMDEs). Projections for many countries have been revised down over the forecast horizon, with upgrades primarily due to stronger-than-expected data at the beginning of 2023 more than offset by downgrades thereafter. Inflation has been persistent but is projected to decline gradually as demand weakens and commodity prices moderate, provided longer-term inflation expectations remain anchored.

The rapid rise in interest rates in the United States poses a significant challenge to EMDEs. As the Federal Reserve has pivoted toward a more hawkish stance to rein in inflation, a substantial part of the sharp increases in U.S. interest rates since early 2022 has been driven by shocks that capture changes in perceptions of the Fed's reaction function. These reaction shocks are associated with especially adverse financial market effects in EMDEs, including a higher likelihood of experiencing a financial crisis. Their effects also appear to be more pronounced in EMDEs with greater economic vulnerabilities.

State of the Indian Economy

The Asian Development Bank (ADB) projects growth in India's gross domestic product (GDP) to moderate to 6.4% in fiscal year (FY) 2023 ending on 31st March 2024 and rise to 6.7% in FY2024, driven by private consumption and private investment on the back of government policies to improve transport infrastructure, logistics, and the business ecosystem.

The growth moderation for India in FY2023 is premised on an ongoing global economic slowdown, tight monetary conditions, and elevated oil prices. However, FY2024 is expected to see faster growth in investment, thanks to supportive government policies and sound macroeconomic fundamentals, lower non-performing loans in banks, and significant

corporate deleveraging that will enhance bank lending, according to Asian Development Outlook (publication released in April 2023).

"Despite the global slowdown, India's economic growth rate is stronger than in many peer economies and reflects relatively robust domestic consumption and lesser dependence on global demand," said ADB Country Director for India Takeo Konishi. "The Government of India's strong infrastructure push under the Prime Minister's Gati Shakti (National Master Plan for Multimodal Connectivity) initiative, logistics development, and industrial corridor development will contribute significantly to raising industrial competitiveness and boosting future growth."

Inflation will likely moderate to 5% in FY2023, assuming moderation in oil and food prices, and slow further to 4.5% in FY2024 as inflationary pressures subside. In tandem, monetary policy in FY2023 is expected to be tighter as core inflation persists, while becoming more accommodative in FY2024. The current account deficit is projected to decline to 2.2% of GDP in FY2023 and 1.9% in FY2024. Growth in goods exports is forecast to moderate in FY2023 before improving in 2024, as production-linked incentive schemes and efforts to improve the business environment, such as streamlined labour regulations, improve performance in electronics and other areas of manufacturing growth.

SUGAR INDUSTRY STRUCTURE & DEVELOPMENTS

- The sugar is one of the world's major agro based industry and is also one of the most actively traded soft commodity on the exchange.
- More than 80% of the sugar produced is from Sugarcane while balance is from sugar beet.
- India is the world's second-largest producer of sugar. After Brazil, the nation produced 32 million metric tonnes of sugar.
- Brazil & India are the largest sugar producers from Sugarcane & EU (European Union) and US are the major sugar producers from beet.

Global Sugar Industry Scenario:**World**

The International Sugar Organisation (ISO) projected global production in 2022–23 (Oct – Sep) at 180.43 million MT, a revision from its previous projection of 172.53 million MT. Sugar consumption is expected

MANAGEMENT DISCUSSION AND ANALYSIS

to be 176.28 million MT. Imports demand decreased to 63.86 million MT from previous projection of 63.97 million MT.

Country wise Scenario:

BRAZIL: According to UNICA, mills in CS Brazil processed 43.0 million MT of cane in the second half (H2) of June, which is up by 2.2% on year. Sugar output during this period reached 2.70 million MT up by 7.6% on year. Cumulative Sugarcane crush for the current season reached 209.79 million MT with sugar production at 12.23 million MT i.e. 25.9% higher on the year. Platts estimates higher than expected agricultural yields and therefore it has revised CS Brazil cane availability for 2023-24 (April-March) to 612 million MT, up 10 million MT from the previous estimate. It has also estimated that cane planting (including renovation) increased by almost 10% in 2022 than in 2021. Sugar production for 23-24 is therefore estimated to increase by 500,000 MT from their previous estimate, to 38.88 million MT. Favourable weather is expected to boost the following crop (2024-25), which was revised higher with the estimate for cane crush up at 616 million MT and sugar production at 38.6 million MT.

US-WASDE Sugar Balance: Mexican mills are already closing for the season. The latest production report as of 29th April showed that at this late stage only 665,435 MT of raw sugar with polarization below 99.2 required by the US has been produced.

Meanwhile, 17 mills producing raw sugar for the US quota, six have already closed for the season. These six mills produce around 30% of the total raw sugar for the US. Five more of these mills are set to closed by 15th May, which means that production of the 117,000 MT pending should not be taken for granted.

CHINA: The agriculture ministry lowered its production for the 2022-23 harvest, which is now over, to 8.96 million MT. Mills in Yunnan ended operations on 11th May. It expects production to recover to 10 million MT in 2023-24 due to better yields and despite a

lower beet area and stable cane area, whereas consumption should grow slightly to 15.7 million MT. As per the customs data, China imported 70,000 MT of sugar in April, down 82% on year, while the import of sugar syrup and premixed powder reached 179,000 MT, up 55,000 MT on year. China imported 1.02 million MT of sugar in Jan-Apr, down 25%, while syrup and premixed powder imports increased by 134,000 MT in the period to 490,000 MT.

AUSTRALIA: According to the data from Australian Sugar Milling Council, 2023 sugarcane harvest reached 3.34 million MT as of 2nd July, up around 0.4 million MT i.e. 15% year on year. The sugar industry estimates 31.7 million MT of total sugarcane availability for harvest in 2023, which makes the crush progress as of 2nd July at about 10.5% of the initial estimate. Platts has estimated 32 million MT of sugarcane availability for harvest in 2023, nearly the same as the industry estimates. Sugar Production is estimated at 4.4 million MT with sugar content at 13.7%.

THAILAND: Platts estimates a drop in 2023-24 cane crush to 85 million MT, down 10% year on year. Sugar production estimates were cut 1.2 million MT to 9.78 million MT. Sugar mills' consensus estimates are around 80 million MT, with a downside, if rains continue to underperform in months ahead. Although rains in Central and North Thailand were a cause of concern during June, they look improved in July for these regions, with the latest forecast for the coming two weeks showing overall above normal rains followed by a significant pick up in the third week.

AFRICA / MIDDLE EAST: Raw sugar imports by Middle East and North Africa are expected to finish the second quarter of 2023 at about 2.6 million MT, which would be in line with last year but still below previous few years. The ban on sugar exports from Algeria was lifted at the end of June and the flow of refined sugar to Europe can now be resumed. Consequently, raw sugar imports from Algeria are expected to pick up in the second half of 2023.

The world sugar balance is as shown in below chart:-

(from Oct/Sep)

| Particulars | 2022-23 In million tonnes (Estimated) | 2021-22 In million tonnes | Changes | |
|-------------------------------|--|---------------------------------|----------------------|-------|
| | | | In million tonnes | (%) |
| Production | 180.43 | 172.53 | 7.91 | 4.58 |
| Consumption | 176.28 | 174.77 | 1.51 | 0.86 |
| Surplus/Deficit | 4.15 | -2.24 | | |
| Import Demand | 63.86 | 63.97 | -0.11 | -0.16 |
| Export Availability | 64.55 | 64.37 | 0.18 | 0.27 |
| End Stocks | 103.39 | 99.92 | 3.47 | 3.47 |
| Stocks/Consumption ratio in % | 58.65% | 57.17% | | |

Source: Chinimindi, Ragus

Indian Sugar Industry Scenario:

Production figure of SS 2021-22 was 358 Lakhs tonnes after accounting for sugar sacrifice in favor of ethanol of 32 lakhs tonnes.

Highest ever sugar exports – During the previous sugar season, India reported its highest sugar exports of 111 lakhs tonnes, reinforcing the country's position as a dominant global player. This export achievement was remarkable considering that they were not supported through subsidies / financial assistance by the Central Government. All logistic challenges at the ports were overcome seamlessly.

As per the estimate drawn by ISMA, it was expected that during SS 2022-23, India will produce 328 Lakhs tonnes of sugar after considering sugar sacrifice of

40 Lakhs tonnes, taking the gross sugar production to nearly 363 Lakhs tonnes. The production was lower because of lower production in Maharashtra.

The Government announced first tranche of export of 60 Lakhs tonnes under MAEQ mechanism and almost total quantity of export quota dispatched.

All India sugar output from 1st Oct'2022 to 30th June'2023 reached 322.92 Lakhs tonnes i.e., 8.45% down from last year same period. Total 11 mills were operating as on 30th June'2023, whereas last year in the same period 14 mills were operating. (Source: ISMA)

Balance sheet for 2022-23 SS indicates 40 Lakhs tonnes of available surplus sugar after meeting out domestic consumption and export as follows:-

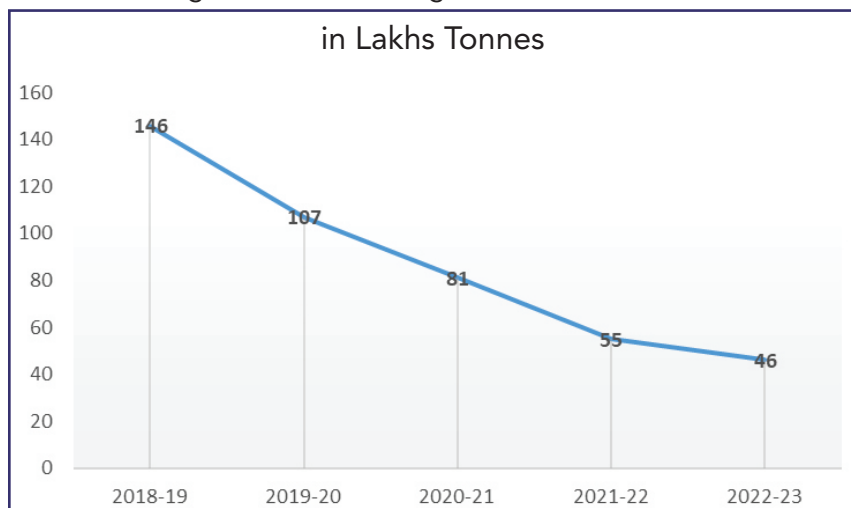
In Lakhs tonnes

| S. No | Particulars | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23* |
|-------|--|---------|---------|---------|---------|----------|
| A) | Opening Stock as on 01 Oct. | 107 | 146 | 107 | 81 | 55 |
| B) | Production during the Season | 332 | 274 | 312 | 358 | 328 |
| C) | Imports | 0 | 0 | 0 | 0 | 0 |
| D) | Total Availability | 439 | 420 | 419 | 439 | 383 |
| E) | Off take | | | | | |
| | i) Internal Consumption | 255 | 253 | 266 | 273 | 275 |
| | ii) Exports | 38 | 60 | 72 | 111 | 62 |
| | Total offtake (i+ii) | 293 | 313 | 338 | 384 | 337 |
| F) | Closing Stock as on 30 th Sep | 146 | 107 | 81 | 55 | 46 |
| G) | Stock as % of Offtake | 50 | 34 | 24 | 14 | 14 |
| H) | Additional Information- Diversion for Ethanol | 3 | 8 | 20 | 32 | 40 |

Source: ISMA

Note: *indicates estimates

It is to be noted that closing stock will be at six years lower and lesser than the level of closing stock in past season. The below chart showing the trend of closing stock from SS 2018-19:-



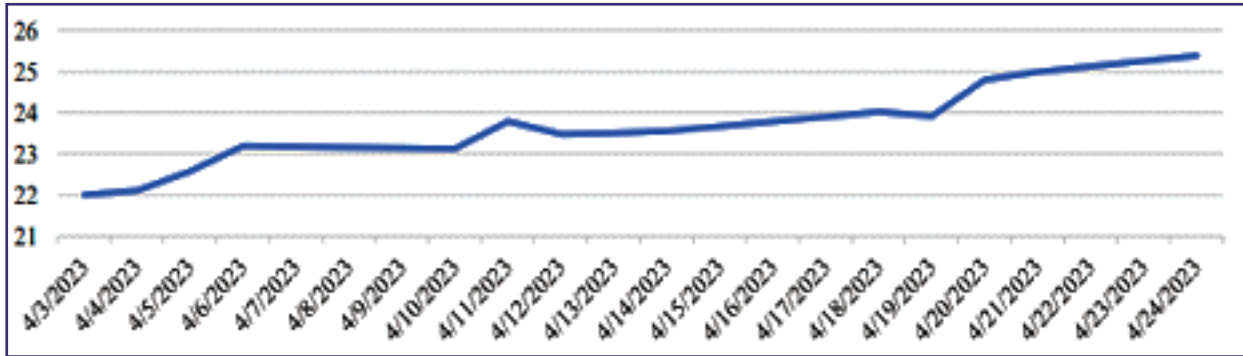
MANAGEMENT DISCUSSION AND ANALYSIS

Sugar Pricing (International and Domestic Market)

India’s FY 2022/2023 sugar production decline has affected global market sentiments. India is among the largest exporters of raw sugar in the global market, and the downward production of Indian raw sugar led to a price spike in the international sugar market. On this note, the average international price of raw sugar reached an 11 year high at 25.39 cents/pound on April 24, 2023 (As Chart given below), as

compared to 17.18 cents/pound in September 11, 2022. Similarly, in April 2023, the FAO Sugar Price Index increased for the second time in consecutive months by 1.8 points (1.5 percent) to 127 points, the highest increase since 2016. This increase indicates lower global sugar stock availability in the 2022/2023 season because of dwindling productivity forecasts in India and other markets.

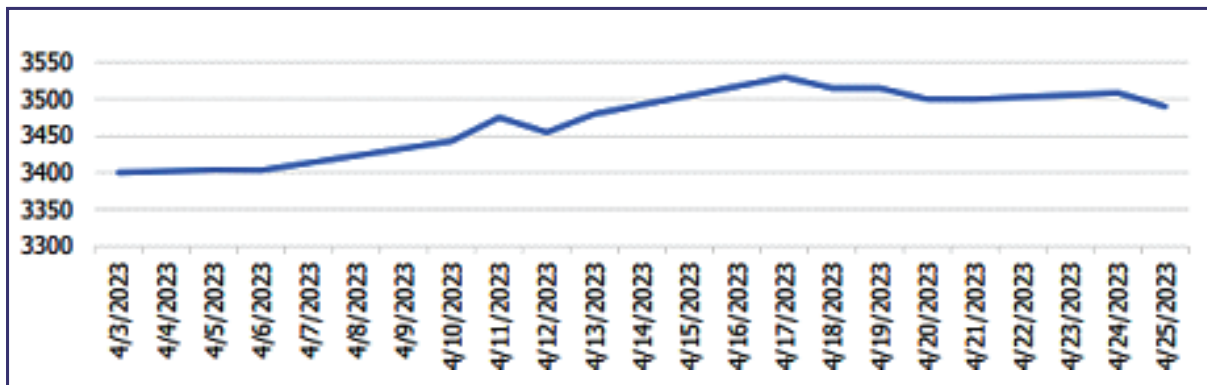
International Pricing of Raw Sugar (Cents per pound):-



Source: International Sugar Organisation.

Domestic Pricing of Sugar (₹ per quintal):

India’s average domestic market price of sugar across all grades totalled INR 3,490/quintal, compared to INR 3,467/quintal last market year. Post estimates that lower domestic stocks combined with elevated diversion of sugar to ethanol and alcoholic beverages will drive prices higher in the near-term, barring government interventions.



Source: National Commodity and Derivatives Exchange Limited; Spot Market Sugar Price.

INDIAN PERSPECTIVE OF SUGAR & ETHANOL INDUSTRY

- All India Sugar production from 1st Oct’ till 30th June, 2023 reached 322.92 Lakhs tonnes, i.e., around 8% decrease from 352.73 Lakhs tonnes produced last year same period. Total 11 sugar mills were operating as on 30th June’23, whereas last year same period 14 sugar mills were operating.
- FRP of Sugar Cane for Sugar Season 22-23 fixed at ₹ 305 / Qtl for a base recovery of 10.25% (P.Y. ₹ 290 / Qtl for 10%).
- State Advised Price (SAP) for SS 2022-23 of UP & Uttarakhand declared as under: -
 - UP Govt. ₹ 340/- Qtl (General variety)- same as per last season. (For Early variety ₹ 350/- Qtl)
 - UK Govt. ₹ 345/- Qtl (General variety) - same as per last season. (For Early variety ₹ 355/- Qtl)
- Government has allowed 60 Lakhs tonnes of the sugar in the current season. Indian sugar mills exported almost entire quota of 60 Lakhs tonnes.
- Uttar Pradesh crushing season has ended and mills therein have produced 104.82 Lakhs tonnes of sugar.
- Maharashtra crushing season has ended and mills therein have produced 105.32 Lakhs tonnes of sugar.

- In the State of Karnataka, 55.30 Lakhs tonnes of sugar have been produced in the state, which is around 5% decrease from last year. 2 sugar mills in Karnataka have commenced their operations for special season.
- Tamil Nadu produced 12.32 Lakhs tonnes of sugar and 8 sugar mills were operating as on 30th June '23.
- State wise comparison of current year vs last year production has been tabulated as below:

| S. No | State | Sugar production till 30 th June '23 Lakhs MT | Sugar production till 30 th June '22 Lakhs MT |
|-------|------------------|---|---|
| 1 | Uttar Pradesh | 104.82 | 101.99 |
| 2 | Uttarakhand | 4.80 | 4.53 |
| 3 | Bihar | 6.27 | 4.57 |
| 4 | Punjab | 6.55 | 5.96 |
| 5 | Haryana | 7.41 | 7.15 |
| 6 | Madhya Pradesh | 5.40 | 6.54 |
| 7 | Gujarat | 9.90 | 12.08 |
| 8 | Maharashtra | 105.32 | 137.20 |
| 9 | Karnataka | 55.30 | 58.27 |
| 10 | A.P. & Telangana | 4.49 | 4.38 |
| 11 | Tamil Nadu | 12.32 | 9.69 |
| 12 | Others | 0.34 | 0.37 |
| | Total | 322.92 | 352.73 |

Source: ISMA

- Out of the 552.90 crore liters finalized by the OMCs for the Ethanol Supply Year 2022-23 (Dec.-Oct.) against a total requirement of 600 crore liters, contracts for 550.80 crore liters have been executed till 02nd July, 2023.
- Against the above, 341.50 crore liters have been lifted by the OMCs till 25th June, 2023.
- The total lifted quantity is 62% of the contracted quantity and 62% of the finalized quantity.
- The average blending percentage is 11.74% till 02nd July, 2023.
- Till 02nd July, 2023, out of total ethanol supply of 341.5 crore litres, 122.2 crore litres have been supplied from Sugarcane Juice and 152.46 crore litres have been supplied from B- Heavy Molasses. For 122.2 crore litres, 18.33 Lakhs metric tonnes of sugar have been diverted and for 152.46 crore litres, 12.20 Lakhs metric tonnes of sugar have been diverted.
- Till 02nd July, 2023, total contracted quantity from Sugarcane Juice and B-Heavy Molasses is 136.97 crore litres and 246.86 crore litres respectively. For 136.97 crore litres, 20.55 Lakhs metric tonnes of sugar shall be diverted and for 246.86 crore litres, 19.75 Lakhs metric tonnes of sugar shall be diverted.
- The State wise Ethanol position as follows:

SUPPLY POSITION AS ON DT. 02nd JULY, 2023

| STATE | Quantities (Cr. Ltrs.) | | | % to Total Supply | State Blending % |
|----------------|------------------------|---------------------|----------------------------|-------------------|------------------|
| | Finalized Quantity | Contracted Quantity | Supplied / Lifted Quantity | | |
| Uttar Pradesh | 89.00 | 85.86 | 50.38 | 15 | 11.96 |
| Maharashtra | 70.02 | 68.10 | 40.28 | 12 | 11.91 |
| Karnataka | 38.92 | 37.01 | 24.45 | 7 | 11.84 |
| Bihar | 18.20 | 18.17 | 9.88 | 3 | 11.91 |
| Andhra Pradesh | 21.69 | 21.89 | 14.71 | 4 | 11.89 |
| Uttarakhand | 3.48 | 3.46 | 2.19 | 1 | 11.92 |
| Madhya Pradesh | 24.33 | 24.23 | 13.59 | 4 | 11.81 |

Source: ISMA

MANAGEMENT DISCUSSION AND ANALYSIS

- The Supply of Ethanol Raw Material Wise

| Raw Material | Total LOI Qty | Total Contracted Qty | Receipt Qty | % Total Receipt Against Total Contracted Qty |
|---------------------|---------------|----------------------|---------------|--|
| Sugarcane Juice | 143.77 | 136.97 | 122.20 | 89 |
| B- Hy Molasses | 240.21 | 246.86 | 152.46 | 62 |
| C- Hy Molasses | 6.49 | 6.09 | 3.78 | 62 |
| Damaged Food Grains | 22.57 | 19.51 | 7.87 | 40 |
| Maize | 0.04 | 0.01 | - | - |
| Surplus Rice | 139.77 | 141.33 | 55.20 | 39 |
| Total | 552.86 | 550.76 | 341.50 | 62 |

Source: ISMA

Sugarcane Production and Pricing Policy:

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

- Varietal Replacement with proven high recovery varieties.
- Ratoon management.
- Development of Agri Research Centres.
- Integrated Pest Management Programme.
- Soil testing facilities.
- Encouraging use of Bio-fertiliser & Bio-pesticides.
- Training facilities to the Farmers.
- Introduction of Latest methods of farming and use of various mechanical equipments for cultivation.
- Spraying of fertilizer etc. through Drons.

The Indian Council of Agricultural Research (ICAR) conducts sugarcane research and development at the national level. State agricultural universities, regional research institutions, and state agricultural extension agencies support these efforts at the regional and state levels. The central and state governments also support sugarcane growers by ensuring finances and input supplies at affordable prices. To increase the area of cultivation and production in India, a centrally sponsored scheme called the Sustainable Development Fund of Sugarcane Based Cropping System Area under the Macro Management Mode of Agriculture is being implemented in various sugarcane growing states.

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

Following factors are considered for fixation of FRP:

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

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

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

supply of sugarcane by the growers. Fixation of FRP of sugarcane facilitates adequate production and thus availability and supply of cane to sugar factories. Sugar Mills are required to pay the "State Advised Price (SAP)" to sugarcane farmers irrespective of the Market Price of Sugar. Softening Sugar Prices,

coupled with apprehensions of large cane crop, discouraged the sugar mills to pay higher cane prices.

Given below is a chart depicting the difference in the State Advised Cane Price (SAP) during 2019-20 to 2022-23 in the major sugar producing states:

₹/Qtls

| State | 2019-20 (SAP) | 2020-21 (SAP) | 2021-22 (SAP) | 2022-23 (SAP) | 2021-22 (FRP) | 2022-23 (FRP) |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Bihar | 300 | 315 | 335 | 335 | 290 | 305 |
| Uttar Pradesh* | 315 | 315 | 340 | 340 | 290 | 305 |
| Punjab | 300 | 310 | 360 | 380 | 290 | 305 |
| Haryana | 340 | 350 | 362 | 372 | 290 | 305 |
| Maharashtra | - | - | - | - | 290 | 305 |
| Karnataka | - | - | - | - | 290 | 305 |
| Andhra Pradesh | - | - | - | - | 290 | 305 |
| Tamil Nadu | - | - | - | - | 290 | 305 |
| Uttarakhand* | 317 | 317 | 345 | 345 | 290 | 305 |

Source: ASTA/ISMA *General variety

*SAP mentioned are of General variety, in case of early variety it is higher by ₹ 10/- Qtl.

Note:-

1. Fair and Remunerative Price (FRP) for sugar season 2022-23 declared at ₹ 305 per quintal linked to a basic recovery rate of 10.25%; providing a premium of ₹ 3.05 per quintal for every 0.1% increase in recovery above that level.
2. In Maharashtra, Andhra Pradesh, Tamil Nadu & Karnataka the SAP & FRP are same.
3. There is no change in SAP for U.P. & Uttarakhand for sugar season 2022-23.

for the launching of the Ethanol Blended Petrol (EBP) Programme in January, 2003 for sale of 5 percent ethanol blended petrol in nine States and four UTs. Currently, 5 percent of ethanol is blended with petrol in India. The government of India has advanced the target for 20 per cent ethanol blending in petrol (also called E20) to 2025 from 2030. E20 will be rolled out from April 2023. The central government has also released an expert committee report on the Roadmap for Ethanol Blending in India by 2025. The roadmap proposes a gradual rollout of ethanol-blended fuel to achieve E10 fuel supply by April 2022 and phased rollout of E20 from April 2023 to April 2025.

Need for Ethanol blending in India:

- Ethanol has become one of the major priorities of 21st Century India.
- Mixing 20 percent ethanol in petrol holds multiple attractions for India.
- First, it can potentially reduce the auto fuel import bill by a yearly ₹ 40,000 crore.
- Second, it also provides for farmers to earn extra income if they grow produce that helps in ethanol production.
- Third, and no less important, is the fact that ethanol

Ethanol Manufacture:

Ethanol is a biofuel, that is, a fuel produced by processing organic matter. The auto fuels we commonly use are mainly derived from the slow geological process of fossilization, which is why they are also known as fossil fuels. Ethanol in India is obtained primarily from sugarcane via a fermentation process. Ethanol is high in oxygen content, which therefore allows an engine to more thoroughly combust fuel. It can be mixed with fuel in different quantities and can help reduce vehicular emissions. Also, since it is plant-based, it is considered to be a renewable fuel.

The Centre had "launched pilot projects in 2001 wherein 5 percent ethanol blended petrol was supplied to retail outlets". Success of field trials eventually paved the way

MANAGEMENT DISCUSSION AND ANALYSIS

is less polluting than other fuels and, as per the NITI Aayog paper, “offers equivalent efficiency at lower cost than petrol”.

- Use of ethanol-blended petrol decreases emissions such as carbon monoxide (CO), hydrocarbons (HC) and nitrogen oxides (NOx), the expert committee noted. Higher reductions in CO emissions were observed with E20 fuel — 50 per cent lower in two-wheelers and 30 percent lower in four-wheelers.
- Spelling out the opportunity for India for embracing ethanol, the paper stresses that “availability of large arable land, rising production of food-grains and sugarcane leading to surpluses, availability of technology to produce ethanol from plant-based sources, and feasibility of making vehicles compliant to ethanol blended petrol make E20 not only a national imperative, but also an important strategic requirement”.
- In Europe, biofuels have been seen as a measure to reduce emissions of greenhouse gases from road transport because they were considered CO2-neutral fuels once lifecycle emissions are considered.

B. OPPORTUNITIES & THREATS

Opportunities:

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

Threats:

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

C. RISKS AND CONCERNS

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

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

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

Risk mitigation

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

b) Regulatory Risks –

i. Environmental Risks

The Industry and Company is subject to environmental regulations and may be exposed to liability as a result of our handling of hazardous materials and potential costs for environmental compliance.

ii. Government policy related Risks

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

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

Risk mitigation

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

c) Sugar Price Risk

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

Risk mitigation

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

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

Branded Sugar

Uttam Sugar Mills Limited produces one of the finest quality sugars in India. The Sugar that we

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

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

Our packaged sugar is already selling in J&K, Himachal Pradesh, Punjab, Haryana, Delhi, Uttarakhand, Uttar Pradesh, Gujarat, Chandigarh, Rajasthan, Bihar, Assam and Madhya Pradesh through our distributors in the respective areas. We have already covered Modern Retails like Big Basket, Blinkit (Groffers), Reliance Jio Smart Store, Kendriya Bhandar, Mother Dairy, Bikanerwala, Britannia, IRCTC, CCD, Rasna, Amazon, Vestiage etc.

Uttam Sugar is a very quality centric company and the same will be reflected in our products to come. Our future plans are very ambitious and we want to push Packaged Sugar in Market very aggressively. We would like to inform you that very soon we will be introducing other products along with our existing products.

d) Cyclical Risk

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

Risk mitigation

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

e) Finance Risk

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

Risk mitigation

Your Company is mostly come out with the financial constraints.

MANAGEMENT DISCUSSION AND ANALYSIS

D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

The comparative operational figures of the Company are given below:

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

(In Lakh Quintals)

| Particulars | SEASON 2022-23 | | | | | SEASON 2021-22 | | | | | SEASON 2020-21 | | | | |
|-------------------|----------------|-----------|-----------|---------|---------------|----------------|-----------|-----------|---------|---------------|----------------|-----------|-----------|---------|---------------|
| | Libberheri | Barkatpur | Khaikheri | Shermau | TOTAL | Libberheri | Barkatpur | Khaikheri | Shermau | TOTAL | Libberheri | Barkatpur | Khaikheri | Shermau | TOTAL |
| Capacity (TCD) | 6250 | 7000 | 4500 | 6000 | 23750 | 6250 | 7000 | 4500 | 6000 | 23750 | 6250 | 7000 | 4500 | 6000 | 23750 |
| Cane Crushing | 94.48 | 162.13 | 77.12 | 98.31 | 432.04 | 82.77 | 144.33 | 68.17 | 87.49 | 382.76 | 72.86 | 143.09 | 64.39 | 85.76 | 366.10 |
| Recovery (%) | 10.42 | 10.36 | 10.48 | 10.20 | 10.36 | 10.66 | 11.02 | 10.82 | 11.29 | 10.97 | 11.85 | 11.24 | 11.18 | 11.63 | 11.44 |
| Production | | | | | | | | | | | | | | | |
| Sugar | 9.84 | 16.79 | 8.08 | 10.02 | 44.74 | 8.82 | 15.91 | 7.37 | 9.88 | 41.98 | 8.63 | 16.08 | 7.20 | 9.97 | 41.88 |
| Molasses | 5.20 | 8.67 | 4.28 | 5.46 | 23.61 | 4.37 | 7.68 | 3.88 | 3.99 | 19.92 | 3.04 | 7.26 | 3.53 | 3.70 | 17.53 |
| Working Days | 172 | 226 | 193 | 165 | - | 174 | 207 | 183 | 180 | - | 162 | 204 | 176 | 178 | - |

b) Figures for Power Export for last three Financial Years

(In Lakh Kwh)

| | F.Y. 2022-23 (12 Months) | | | | | F.Y. 2021-22 (12 Months) | | | | | F.Y. 2020-21 (12 Months) | | | | |
|--------------|--------------------------|-----------|-----------|---------|----------------|--------------------------|-----------|-----------|---------|----------------|--------------------------|-----------|-----------|---------|----------------|
| | Libberheri | Barkatpur | Khaikheri | Shermau | TOTAL | Libberheri | Barkatpur | Khaikheri | Shermau | TOTAL | Libberheri | Barkatpur | Khaikheri | Shermau | TOTAL |
| Power Export | 400.99 | 507.23 | 302.38 | 293.41 | 1504.02 | 320.09 | 474.78 | 252.18 | 405.17 | 1452.22 | 356.69 | 488.78 | 282.12 | 318.81 | 1446.20 |

F. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES /INDUSTRIAL RELATIONS FRONT

Industrial relations in your Company have remained cordial throughout the year under review. As a result of huge gap between the cane price and the selling price of sugar, which to be mitigate through better utilization of B Hy molasses. This has resulted into cost reduction measures but that has not affected harmonious human development relations.

Your Company has overcome all this by upgrading the process and the systems that help harmonize culture of the varied manpower arising out of diverse sources and backgrounds. The organization values and human development as one of the cardinal principle in the growth of the Company. The organization has steadfastly stuck to its vision to enhance knowledge, skills and competencies of the human resources pool-helping them develop individually and collectively

thereby improving productivity. To achieve all this, the Company is providing compensation by way of salary and wages which is at par with the prevailing standards in the industry. The Company is also in the midst of providing regular training to the employees

for up-gradation of skills at various levels.

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

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

| Sl. No. | Particulars | Method of Calculations | 2022-23 | 2021-22 | Explanation for Significant Changes |
|---------|-------------------------------------|--|---------|---------|---|
| 1 | Debtors Turnover ratio (In Times) | Revenue from Operations / (Opening Debtors + Closing Debtors) / 2 = Average Debtors | 37.87 | 37.21 | No Significant changes |
| 2 | Inventory Turnover ratio (In Times) | Revenue from Operations / (Opening Inventory + Closing Inventory) / 2 = Average Inventory | 2.49 | 2.35 | No Significant changes |
| 3 | Interest Coverage ratio (In Times) | EBITDA / Finance Cost | 4.84 | 3.81 | Due to lower interest cost |
| 4 | Current Ratio (In Times) | Current Assets / Current Liabilities | 1.04 | 0.99 | No Significant changes |
| 5 | Debt Equity Ratio (In Times) | (Long Term Debts + Current Maturity of Term Loans + Cash Credit Limit + Leased Liabilities+ Preference Share Capital) / Shareholder's Equity | 1.07 | 1.44 | Due to lower debt and profit during the year |
| 6 | Operating profit margin (%) | EBITDA / Revenue | 12.32% | 14.02 | Due to higher cane cost & Lower Stock Valuation |
| 7 | Net Profit margin (%) | Net Profit / Total Income | 5.99% | 6.58% | Due to higher cane cost & Lower Stock Valuation |
| 8 | Return on Net worth (%) | Net Profit after Taxes / (opening Shareholder's equity + closing Shareholder's equity) / 2 =Average Shareholder's Equity | 23.79% | 33.70% | Consequential to change in Net Profit. |

CAUTIONARY / FUTURISTIC STATEMENTS

Statements in this report detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable laws and regulations and are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate and can be realised. The Company's actual results, performance or achievements could thus differ materially from those

projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements in future on the basis of subsequent developments, information or events. Investors, are, therefore, requested to make their own independent judgments before taking any investment decisions.

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

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF UTTAM SUGAR MILLS LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying financial statements of **UTTAM SUGAR MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to financial statement including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, thereof ("Ind AS ") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

Key Audit Matters

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

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

| | | |
|----|---|---|
| | | <ul style="list-style-type: none"> • Comparing a sample of electricity sales transactions with energy invoices duly verified by Central Power Purchasing Agency (Guarantee) Limited ("CPPA-G") and assessed whether the sale was recorded in the appropriate accounting period; • Inspecting on a sample basis, credit notes issued near to and subsequent to year end to evaluate whether the adjustments to sales had been accurately recorded in the appropriate accounting period; and • Scanning for any manual journal entries relating to sales recorded during and near the year end which were considered to be material or other specific risk based criteria for inspecting underlying documentation. |
| 2. | <p>Capitalization of property, plant and equipment Refer note no. 4 to the financial statements. The Company has made significant capital expenditure on New Plant, modernization and replacement of plant and equipment.</p> <p>We identified capitalization of property, plant and equipment as a key audit matter because there is a risk that amounts being capitalized may not meet the capitalization criteria with related implications on depreciation charge for the year.</p> | <p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of and testing the design, implementation and operating effectiveness of management's key internal control over capital expenditure; • Comparing on sample basis, the costs incurred on projects with supporting documentation and contracts; • Assessing the nature of costs incurred for the capital projects for appropriateness by comparing, on sample basis, amounts recorded with underlying documentation and considering that the expenditure meets the criteria for capitalization as per the applicable accounting standards; • Inspecting supporting documents for the date of capitalization when project assets were ready for its intended use to assess that depreciation commenced and further capitalization of costs ceased from that date and to assess the useful life assigned by management including testing the calculation of related depreciation |
| 3. | <p>Valuation of Inventories Refer note no. 7 to the financial statements.</p> <p>We identified valuation of inventories as a key audit matter as it involves significant management judgments in determining the carrying value of stock.</p> | <p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> • Assessing the appropriateness of Company's accounting policy for valuation of stock and compliance of the policy with the requirements of the prevailing accounting standards; • Obtaining an understanding of internal controls over valuation of stock and testing, on a sample basis, their design, implementation and operating effectiveness; • Obtaining an understanding and assessing reasonableness of the management's determination of net realizable value (NRV) and the key estimates adopted, including future selling prices and costs necessary to make the sales and their basis; and • Comparing the NRV, on a sample basis, to the cost of stock-in-trade to assess whether any adjustments are required to the value of stock in trade in accordance with the accounting policy. |

AUDITOR'S REPORT

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid financial statement.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) relevant Rules, 2015, as amended, thereof.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report express an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended; In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

AUDITOR'S REPORT

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

**For B.K.Kapur and Co.,
Chartered Accountants,
Firm Registration No.00852C**

Place : Noida
Dated : 15th May, 2023

**(M.S.Kapur) F.C.A
Partner
M.No.074615**

UDIN : 23074615BGVLHI1827

ANNEXURE TO THE AUDITORS' REPORT**Annexure A to the Independent Auditors' Report to the members of Uttam Sugar Mills Limited on its financial statements dated 15th May, 2023.**

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 records showing full particulars including quantitative details and situations of its Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particular Intangible Assets.
- b) The company has physically verified the Property, Plant and Equipment. In accordance with a phased programme designed by the management to cover all the items over a regular period of time which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of the immovable property as disclosed in the Property, Plant and Equipment (note No.4 to the Ind AS financial statements) are held in the name of the Company, except for the following freehold land:

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

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year. Accordingly, reporting under clause 3(i)(d) of the order is not applicable to the company.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the order is not applicable to the company.
- 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) The Company has during the year sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks on the basis of security of current assets and based on our examination and verification the quarterly returns or statement filed by the company they are in agreement to books of account except value of inventory of pledged sugar provided to bank which is valued in accordance with terms and condition of sanction letter and RBI Guidelines at average Net realizable value whereas in the books of account same has been considered at lower of Cost or Net realizable value in accordance with the Indian Accounting Standard.

AUDITOR'S REPORT

The detail of difference in value is here under:

(₹ in Lakhs)

| Particulars | Value of sugar stock as per Books at lower of cost or Net realizable value | Value of sugar stock as per Stock Statement at Realizable value | Difference |
|--|--|---|------------|
| 1 st Quarter ended 30.06.2022 | 57605.98 | 62872.78 | 5266.80 |
| 2 nd Quarter ended 30.09.2022 | 23909.02 | 25291.69 | 1382.67 |
| 3 rd Quarter ended 31.12.2022 | 31851.33 | 33924.68 | 2073.35 |
| 4 th Quarter ended 31.03.2023 | 67723.19 | 75253.87 | 7530.68 |

- iii. According to information made available to us, the Company has during the year not made any investment and not provided security or guarantee and also has not granted any loan or advance in the nature of Loan, secured or unsecured during the year to Companies, firm, Limited Liability partnerships or other entities accordingly para 3(iii)(a) to (f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, no loan, investment, guarantees and security stated under section 185 and 186 of the Companies Act, 2013 have been given/made by the Company therefore, para 3(iv) of the order is not applicable.
- v. On the basis of information and explanations given to us and our scrutiny of Company's records, in our opinion, the Company has not accepted any public deposits within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules frames there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products pursuant to the order made by the Central Government for the maintenance of the cost records under section 148 of the Act and are of the opinion that, prima-facie, the prescribed account and records have been maintained and are being made up. We however as not required have not made a detailed examination of such records with a view to determine whether these are accurate or complete.
- vii. (a) According to the information and explanations given to us the Company is regular in depositing with appropriate authorities, undisputed statutory dues including Goods and service tax, Provident Fund, Income Tax, Customs Duty, Excise Duty, Value added Tax, Cess, Regulatory fees/administrative charges and other statutory dues applicable to it with appropriate authorities. As explained to us, the provisions of Employees State Insurance are not applicable to the Company. Further, there were no arrears of undisputed statutory dues outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the disputed statutory dues of Sales tax, Excise duty and Income Tax aggregating to ₹ 51.08 Lakhs that have not been deposited are given below: -

| Name of Statute | Nature of Dues | Amount (₹ In Lakhs) | Forum where dispute is pending |
|--------------------------|-------------------------|---------------------|--------------------------------|
| Central Excise Act, 1944 | Excise Duty/Service tax | 8.52 | Commissioner (Appeal) |
| Goods and Service Tax | GST | 4.03 | High Court |
| | | 0.95 | Addl. Commissioner (Appeal) |
| Income Tax Act, 1961 | Income Tax | 28.87 | Commissioner (Appeal) |
| Service Tax Act | Service tax | 0.59 | Commissioner (Appeal) |
| Molasses Control Act | Administrative charges | 8.12 | High Court |
| Total | | 51.08 | |

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

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion and according to the information and explanations company has not defaulted in repayment of Loans or other borrowings or in the payment of interest thereon to any lender *except in the following case:-*

| Nature of Borrowings, including debt securities | Name of Lenders | Amount not paid on due date (₹ In Lakhs) | Whether Principal or Interest | No of days delays or unpaid | Remarks, if any |
|---|------------------------------|--|-------------------------------|---|-----------------|
| Term Loan -Financial assistance (Unsecured) | Uttarakhand State Government | 656.68 | Principal | Continuously unpaid since January 2011 | |
| | | 477.37 (Interest from 28.01.2005 to 31.03.2023) | Interest | Unpaid for the period 31.03.2005 to till date | - |

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

AUDITOR'S REPORT

- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the company during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) On the basis of examination and explanations given by the management of the company there is no ongoing project in respect of CSR hence clause 3 (xx) (b) is not applicable.

**For B.K.Kapur and Co.,
Chartered Accountants,
Firm Registration No.00852C**

Place : Noida
Dated : 15th May, 2023

**(M.S.Kapur) F.C.A
Partner
M.No.074615**

UDIN : 23074615BGVLHI1827

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Uttam Sugar Mills Limited** ("the Company") as at 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

AUDITOR'S REPORT

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, 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 B.K.Kapur and Co.,
Chartered Accountants,
Firm Registration No.00852C**

Place : Noida
Dated : 15th May, 2023

**(M. S. Kapur) F.C.A
Partner
M.No.074615**

UDIN : 23074615BGVLHI1827

BALANCE SHEET AS AT 31ST MARCH, 2023

(₹ in Lakhs)

| Particulars | Note No. | As at 31 st March, 2023 | As at 31 st March, 2022 |
|---|----------|------------------------------------|------------------------------------|
| I. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, plant and equipment | | 67,254.30 | 67,264.50 |
| (b) Capital work in progress | | 688.93 | 448.49 |
| (c) Right-of-use assets | 4 | 10.36 | 31.10 |
| (d) Intangible assets | | 4.59 | 5.56 |
| (e) Biological assets | | 4.35 | 4.35 |
| (f) Financial assets | | | |
| Other financial assets | 5 | 46.75 | 42.72 |
| (g) Non-current tax assets | | - | 59.00 |
| (h) Other Non-current assets | 6 | 1,521.79 | 401.04 |
| Total (1) | | 69,531.07 | 68,256.76 |
| (2) Current Assets | | | |
| (a) Inventories | 7 | 85,125.41 | 79,959.97 |
| (b) Financial assets | | | |
| (i) Trade receivables | 8 | 4,767.19 | 6,106.26 |
| (ii) Cash and cash equivalents | 9 | 630.08 | 850.01 |
| (iii) Bank balance other than cash and cash equivalents | 10 | 327.75 | 308.01 |
| (iv) Other financial assets | 5 | 918.62 | 714.76 |
| (c) Current tax assets(net) | 11 | 145.77 | 137.33 |
| (d) Other current assets | 12 | 768.58 | 637.92 |
| Total (2) | | 92,683.40 | 88,714.26 |
| (3) Non current assets classified as held for sale | 13 | 7.82 | 22.47 |
| Total Assets (1+2+3) | | 162,222.29 | 156,993.49 |
| II. EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Share capital | 14 | 3,813.81 | 3,813.81 |
| (b) Other Equity | 15 | 53,828.54 | 42,463.42 |
| Total (1) | | 57,642.35 | 46,277.23 |
| (2) Liabilities | | | |
| (A) Non-Current Liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 16 | 2,511.61 | 8,688.92 |
| (ia) Lease liabilities | | - | 13.35 |
| (ii) Other financial liabilities | 17 | 2,195.31 | 2,397.21 |
| (b) Deferred revenue (including Government grant) | 18 | 316.18 | 896.88 |
| (c) Provisions | 19 | 1,766.42 | 1,581.58 |
| (d) Deferred tax liabilities(net) | 20 | 8,260.76 | 7,818.98 |
| Total (2 A) | | 15,050.28 | 21,396.92 |
| (B) Current Liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 16 | 56,827.74 | 55,289.09 |
| (ia) Lease liabilities | | 13.35 | 24.51 |
| (ii) Trade payable | 21 | | |
| Total Outstanding dues of Micro and Small Enterprises | | 529.86 | 402.29 |
| Total Outstanding dues of other than Micro and Small Enterprises | | 27,770.92 | 29,169.03 |
| (iii) Other financial liabilities | 17 | 1,490.21 | 1,369.42 |
| (b) Deferred revenue (including Government grant) | 18 | 653.46 | 662.30 |
| (c) Other current liabilities | 22 | 2,001.10 | 2,168.81 |
| (d) Provisions | 19 | 243.02 | 233.89 |
| Total (2 B) | | 89,529.66 | 89,319.34 |
| Total Equity & Liabilities (1+2) | | 162,222.29 | 156,993.49 |
| Corporate information | 1 | | |
| Significant accounting policies and estimates | 2-3 | | |
| Contingent Liabilities | 23 | | |
| Capital Commitment | 24 | | |
| The accompanying notes are an integral part of the financial statements | | | |

AS PER OUR REPORT OF EVEN DATE

Firm Registration No. 00852C

For B.K.Kapur & Co.

Chartered Accountants

(M.S.KAPUR) FCA

Partner

Membership No. 074615

Place : Noida

Date : May 15, 2023

for and on behalf of Board of Directors

(RAJ KUMAR ADLAKHA)
Managing Director(SHANKAR LAL SHARMA)
Executive Director(SANJAY BHANDARI)
Chief Financial Officer(RAJESH GARG)
Company Secretary &
Compliance Officer

PROFIT AND LOSS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

| Particulars | Note No. | Year Ended 31 st March, 2023 | Year Ended 31 st March, 2022 |
|--|----------|--|--|
| INCOME | | | |
| I. Revenue from Operations | 25 | 205,886.93 | 203,434.59 |
| II. Other Income | 26 | 880.71 | 1,566.86 |
| III. Total Income (I+II) | | 206,767.64 | 205,001.45 |
| IV. Expenses | | | |
| Cost of material consumed | 27 | 158,670.41 | 135,427.05 |
| Purchases of stock-in-trade | | 7.89 | 40.02 |
| Change in inventories of finished goods, by-products, work in progress & Stock in Trade | 28 | (5,294.43) | 13,553.37 |
| Employees benefits expenses | 29 | 9,955.69 | 8,640.23 |
| Finance costs | 30 | 5,239.82 | 7,492.45 |
| Depreciation and amortisation expenses | 4 | 3,626.29 | 3,320.99 |
| Other expenses | 31 | 18,065.41 | 18,813.23 |
| Total Expenses | | 190,271.08 | 187,287.34 |
| V. Profit before tax (III-IV) | | 16,496.56 | 17,714.11 |
| VI. Tax expense | | | |
| Current tax | 32 | 3,700.00 | - |
| Deferred tax | 20 | 434.42 | 4,222.09 |
| VII. Profit for the year (V-VI) | | 12,362.14 | 13,492.02 |
| VIII. Other Comprehensive income | | | |
| (i) Items that will not be reclassified to profit and loss | 33 | 29.23 | 73.85 |
| (ii) Income tax relating to items that will not be reclassified to profit and loss | | (7.36) | (18.60) |
| Total Other Comprehensive income | | 21.87 | 55.25 |
| IX. Total Profit after comprehensive income for the year (VII+VIII) | | 12,384.01 | 13,547.27 |
| (Comprising of profit and loss comprehensive income for the year) | | | |
| X. Earnings per equity share | | | |
| (Nominal value per share ₹10/-) | 34 v | | |
| - Basic (₹) | | 32.41 | 35.38 |
| - Diluted (₹) | | 32.41 | 35.38 |
| Number of shares used in computing earning per share | | | |
| - Basic (Nos.) | | 38138120 | 38138120 |
| - Diluted (Nos.) | | 38138120 | 38138120 |
| Corporate information | 1 | | |
| Significant accounting policies and estimates | 2-3 | | |
| Contingent Liabilities | 23 | | |
| Capital Commitment | 24 | | |
| The accompanying notes are an integral part of the financial statements | | | |

AS PER OUR REPORT OF EVEN DATE

Firm Registration No. 00852C

For B.K.Kapur & Co.

Chartered Accountants

(M.S.KAPUR) FCA

Partner

Membership No. 074615

Place : Noida

Date : May 15, 2023

for and on behalf of Board of Directors

(RAJ KUMAR ADLAKHA)

Managing Director

(SHANKAR LAL SHARMA)

Executive Director

(SANJAY BHANDARI)

Chief Financial Officer

(RAJESH GARG)

Company Secretary &
Compliance Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31 st March 2023 | Year Ended 31 st March 2022 |
|--|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax | 16,496.56 | 17,714.11 |
| Adjustments for: | | |
| Depreciation and amortisation expenses | 3,626.29 | 3,320.99 |
| Finance cost | 4,215.15 | 6,069.57 |
| Interest expense based on effective interest rate | 1,024.67 | 1,422.88 |
| Income/loss on fair value of Investment adjustment | - | (48.79) |
| Loss on sale/discard of assets | - | 121.98 |
| Profit on sale of assets | (20.48) | (457.30) |
| Interest income based on effective interest rate | (662.20) | (755.71) |
| Interest Income | (19.28) | (24.92) |
| Operating Profit before Working Capital Changes | 24,660.70 | 27,362.82 |
| Working Capital Adjustment | | |
| Decrease/(Increase) in inventories | (5,165.44) | 12,853.72 |
| Decrease/(Increase) in trade receivables | 1,339.07 | (1,276.92) |
| Decrease/(Increase) in other financial assets | (207.77) | 8,458.00 |
| Decrease/(Increase) in other assets | (130.66) | (52.04) |
| Decrease/(Increase) in other bank balances | (23.77) | 82.90 |
| (Decrease)/Increase in other financial liabilities | 87.30 | (537.66) |
| (Decrease)/Increase in trade payable | (1,163.35) | (15,175.04) |
| (Decrease)/Increase in provisions | 223.21 | 217.68 |
| (Decrease)/Increase in other liabilities | (155.92) | 221.90 |
| | (5,197.33) | 4,792.54 |
| Cash generated from operations | 19,463.37 | 32,155.37 |
| Direct taxes refund received / (Paid) (net) | (3,649.44) | (136.65) |
| Net Cash flow from Operating Activities | 15,813.93 | 32,018.72 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property plant and equipment, CWIP, Intangible Assets | (5,070.40) | (3,535.78) |
| Sale Proceeds/Transfer of assets held for sale | 14.65 | 311.03 |
| Sale Proceeds of Assets | 32.15 | 92.77 |
| Redemption/Sale of investments | - | 300.00 |
| Interest received | 19.28 | 24.92 |
| Net Cash used in Investing Activities | (5,004.31) | (2,807.06) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Finance cost paid | (4,189.83) | (6,045.15) |
| Redemption of Preference Shares | (636.40) | (3,807.30) |
| Proceeds from borrowings (Term loans) | 788.44 | 3,370.97 |
| Repayments of borrowings (Term loans) | (10,922.70) | (18,636.35) |
| Proceeds from borrowings (Working capital) | 4,887.65 | (3,466.54) |
| Equity Dividend paid out of retained earnings | (757.91) | - |
| Preference Dividend paid out of retained earnings | (174.27) | - |
| Repayments of lease liabilities | (24.51) | (22.47) |
| Net Cash used in financing activities | (11,029.54) | (28,606.84) |
| Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C) | (219.92) | 604.82 |
| Cash and cash equivalents as at beginning of the year | 850.01 | 245.19 |
| Cash and cash equivalents as at closing of the year | 630.08 | 850.01 |
| Reconciliation of Cash and cash equivalents as per the cash flow statements | As at 31st March, 2023 | As at 31st March, 2022 |
| Particulars | | |
| a) Balance with banks on current & cash credit accounts | 610.19 | 808.96 |
| b) Cash on hand | 19.89 | 41.05 |
| Closing cash and cash equivalents (refer note no.9) | 630.08 | 850.01 |

- The above Cash Flow statement has been prepared under " Indirect method " as set out in Indian Accounting Standard(Ind As -7) Cash Flow Statement.
- Cash and Cash Equivalent do not include any amount which is not available to the company for its use.

CASH FLOW

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

3. Reconciliation of liabilities arising from financing activities

(₹ in Lakhs)

| Particulars | Non current borrowings (incl. current maturities and deferred grant related to borrowings) | Current Borrowings | Interest payable (Including lease liabilities) | Redemption of preference share reclassified as financial Liability | Dividend paid to Company's shareholder |
|---|--|--------------------|--|--|--|
| Balance as at 31st March 2021 | 33,976.42 | 50,285.74 | 505.23 | 4,609.27 | - |
| Less:-Cash flows | 15,265.37 | 3,466.54 | 6,067.62 | 3,807.30 | - |
| Add:-Finance cost accruals | 6.93 | | 6,073.51 | 530.07 | - |
| Add:-Impact of early redemption from Retained Earning | | | | 1,065.17 | - |
| Dividend distributions accruals | | | | | - |
| Balance as at 31st March 2022 | 18,717.98 | 46,819.20 | 511.12 | 2,397.21 | - |
| Less:-Cash flows | 10,134.25 | 4,887.65 | 4,214.33 | 636.40 | -932.18 |
| Add:-Finance cost accruals | 18.42 | | 4,218.47 | 226.42 | - |
| Add:-Impact of early redemption from Retained Earning | | | | 208.08 | - |
| Dividend distributions accruals | | | | | 937.03 |
| Balance as at 31st March 2023 | 8,602.14 | 51,706.85 | 515.25 | 2,195.31 | 4.85 |

The accompanying notes are an integral part of the financial statements

AS PER OUR REPORT OF EVEN DATE

Firm Registration No. 00852C

For B.K.Kapur & Co.

Chartered Accountants

(M.S.KAPUR) FCA

Partner

Membership No. 074615

Place : Noida

Date : May 15, 2023

for and on behalf of Board of Directors

(RAJ KUMAR ADLAKHA)

Managing Director

(SHANKAR LAL SHARMA)

Executive Director

(SANJAY BHANDARI)

Chief Financial Officer

(RAJESH GARG)

Company Secretary &
Compliance Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

(a) Share Capital:

(₹ in Lakhs)

| Particulars | For the year ended 31 st March, 2023 | | | For the year ended 31 st March, 2022 | | |
|--|---|---|--------------------------|---|---|--------------------------|
| | Balance as at 01.04.2022 | Changes in equity share capital during the year | Balance as at 31.03.2023 | Balance as at 01.04.2021 | Changes in equity share capital during the year | Balance as at 31.03.2022 |
| 38138120 Equity Shares of ₹10/- each fully paid up | 3,813.81 | - | 3,813.81 | 3,813.31 | - | 3,813.31 |

(b) Other Equity

Balance as at 31st March, 2023

| Particulars | Reserve and Surplus | | | | | |
|---|--|--------------------|----------------------------|-------------------|----------------------------|--------------------|
| | Equity component of compound financial instruments | Securities premium | Capital Redemption Reserve | Retained earnings | Other comprehensive income | Total other equity |
| Balance as at 01.04.2022 | 1,223.94 | 15,252.82 | 5,066.85 | 20,919.81 | - | 42,463.42 |
| Add/Less :- Transfer from retained earnings/to Capital Redemption Reserve on redemption during the year of | | | | | | |
| a. 199000 6.50% Non-Cumulative Redeemable Preference Shares | | | 199.00 | (199.00) | - | - |
| b. 218700 10% Non-Cumulative Redeemable Preference Shares | | | 218.70 | (218.70) | - | - |
| Add/Less : Annual Impact of Ind AS amortization of Preference shares (refer note no.30) | (226.42) | - | - | 226.42 | | - |
| Less:- Impact of redemption of Preference Shares out of opening balance | (208.08) | - | - | - | - | (208.08) |
| Profit for the year | | - | - | 12,362.14 | 21.87 | 12,384.02 |
| Transfer from/to other comprehensive income/retained earnings | | - | - | 21.87 | (21.87) | - |
| Less: Equity Dividend paid | | | | 762.76 | - | 762.76 |
| Less: Preference Dividend paid | - | - | - | 48.04 | | 48.04 |
| Balance as at 31.03.2023 | 789.44 | 15,252.82 | 5,484.55 | 32,301.73 | - | 53,828.54 |

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023Balance as at 31st March, 2022

(₹ in Lakhs)

| Particulars | Reserve and Surplus | | | | | |
|---|--|--------------------|----------------------------|-------------------|----------------------------|--------------------|
| | Equity component of compound financial instruments | Securities premium | Capital Redemption Reserve | Retained earnings | Other comprehensive income | Total other equity |
| Balance as at 01.04.2021 | 2,819.18 | 15,252.82 | 1,676.55 | 10,232.77 | - | 29,981.32 |
| Add/Less :- Transfer from retained earnings/to Capital Redemption Reserve on redemption during the year of | | | | | | |
| a. 2973300 6.50% Non-Cumulative Redeemable Preference Shares | | | 2,973.30 | (2,973.30) | - | - |
| b. 417000 10% Non-Cumulative Redeemable Preference Shares | | | 417.00 | (417.00) | - | - |
| Add/Less : Annual Impact of Ind AS amortization of Preference shares (refer note no. 30) | (530.07) | - | - | 530.07 | | - |
| Less:- Impact of redemption of Preference Shares out of opening balance | (1,065.17) | - | - | - | - | (1,065.17) |
| Profit for the year | | - | - | 13,492.02 | 55.25 | 13,547.27 |
| Transfer from/to other comprehensive income/retained earnings | | - | - | 55.25 | (55.25) | - |
| Balance as at 31.03.2022 | 1,223.94 | 15,252.82 | 5,066.85 | 20,919.81 | - | 42,463.42 |

The accompanying notes are an integral part of the financial statements

AS PER OUR REPORT OF EVEN DATE

Firm Registration No. 00852C

For B.K.Kapur & Co.

Chartered Accountants

(M.S.KAPUR) FCA

Partner

Membership No. 074615

Place : Noida

Date : May 15, 2023

for and on behalf of Board of Directors

(RAJ KUMAR ADLAKHA)

Managing Director

(SHANKAR LAL SHARMA)

Executive Director

(SANJAY BHANDARI)

Chief Financial Officer

(RAJESH GARG)Company Secretary &
Compliance Officer

Notes on Financial Statements for the Year ended 31st March, 2023

Note No. 1 : Corporate Information

Uttam Sugar Mills Ltd. ("USML" or the Company) is a public limited Company incorporated and domiciled in India. The registered office of the Company is situated at Village Libberheri, Tehsil Roorkee, Distt. Haridwar (Uttarakhand).

The Company's shares are listed on the BSE Limited and National Stock Exchange of India Ltd.

The Company is engaged in the manufacture of Sugar, Industrial Alcohol and Generation of Power. The financial statements of the Company are for the year ended 31st March, 2023 and are prepared in Indian Rupees being the functional currency. The values in Rupees are rounded off to nearest rupee in lakhs up to two decimals, except otherwise indicated.

The financial statements for the year ended 31st March, 2023 was approved for issue by the Board of Directors of the Company on 15th May 2023 and is subject to the adoption by the shareholders in the Annual General Meeting.

Note No. 2 : Significant Accounting Policies

2.1 Statement of compliance with Ind AS

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) read with Section 133 of the Companies Act, 2013 and other relevant provision and presentation requirement of Division II of Schedule III of the Companies Act as applicable.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (India Accounting Standards) Rules 2015 (As amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

2.2 Basis of preparation

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

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

Accounting Policies have been consistently applied except where a newly issued IND AS is initially accepted or a revision to an existing IND AS requiring change in the accounting policies there to in use.

2.3 The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realized within twelve months after the reporting period,
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) Carrying current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle,
- ii) It is held primarily for the purpose of trading,
- iii) It is due to be settled within twelve months after the reporting period,

Notes on Financial Statements for the Year ended 31st March, 2023

- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- v) It includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

2.5 Revenue recognition

Revenue from sale of product is recognized at the point in time when control of the goods is transferred to the customer, generally on delivery of the product.

At contract inception, the Company assess the goods promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue from contracts with customers is recognized when control of goods or services are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Revenue is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

Revenue from sale of power is recognized when the units generated are transmitted to the pooling station, in accordance with the terms and conditions of the power purchase agreement entered into by the Company with the purchasing parties.

Income from sale of REC is recognized on delivery of REC to the customers 'account.

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the "effective interest rate" that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Notes on Financial Statements for the Year ended 31st March, 2023

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

All other incomes are accounted for on accrual basis.

2.6 Expenses

All expenses are accounted for on accrual basis.

2.7 Property, plant and equipment and Capital work in progress (CWIP)

All property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Free hold land is not depreciated. The cost of an asset includes the purchase cost of materials, including import duties and non-refundable/ creditable taxes and any directly attributable cost of bringing an asset to the location and condition of its intended use and costs of dismantling and removing the item and restoring the site on which it is located, interest on borrowing used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major refurbishment is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in statement of profit and loss as incurred.

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.

Directly attributable expenditure (including finance cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under CWIP, CWIP is stated at the amount expended up to balance sheet date on assets or property, plant and equipment that are not yet ready for their intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost and related accumulated depreciation are eliminated from the financial statements upon disposal/ sale or retirement of the asset and the resultant gains or losses (difference between the sale proceeds and the carrying amount of the assets) are recognized in the Statement of profit and Loss.

2.8 Depreciation methods, estimated useful lives and residual value

- a) Depreciation on property, plant and equipment is provided on Straight Line basis so as to charge the cost of the assets or the amount substituted for costs in case of revalued assets less its residual value over the useful life of the respective asset as prescribed under part C of Schedule II to the Companies Act, 2013. Residual value has been considered as 5% of the cost of the respective assets.
- b) Leasehold Building Developments are amortized at lower of period of lease or ten years.
- c) Intangible Assets are amortized over a period of economic benefits not exceeding ten years.
- d) Depreciation/amortization on assets added, sold or discarded during the year is provided on pro – rata basis.

2.9 Intangible assets (Computer software)

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/ depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

Notes on Financial Statements for the Year ended 31st March, 2023

2.10 Inventories

Inventories (other than By-products) are valued at lower of cost or net realizable value.

Inventories of Renewal Energy Certificates (REC) are valued at lower of cost or net realizable value.

Inventories on stock in trade are valued at lower of cost or net realizable value.

Cost of inventories has been determined on current cost.

Chemicals, packing material and other store & spares at purchase cost including incidental expenses on -weighted average basis.

Cost of finished goods and Work in Progress has been worked out on absorption cost basis.

By- products and residuals are valued at net realizable value except in case of B Heavy Molasses which is valued by considering the realizable value of C Heavy Molasses plus sugar sacrificed for producing B Heavy Molasses.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Assessment of net realizable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

2.11 Government Grants

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

Government grants related to property, plant and equipment are treated as deferred revenue (included under non-current liabilities with current portion considered under current liabilities) and are recognized and credited in the statement of profit and loss on systematic and rational basis and included under other income.

Government grants related to revenue nature are recognized on a systematic basis in the Statement of profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate and are adjusted with the related expenditure.

(If not related to a specific expenditure, it is taken as income and presented under: other Income)

2.12 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred.

Preference Shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognized as finance cost in the Statement of Profit and Loss.

2.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee the Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Notes on Financial Statements for the Year ended 31st March, 2023

The right-of-use assets are disclosed in Property, Plant and Equipment (see Note 4).

Lease Liabilities At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities are included in Other financial liabilities.

Short-term lease and lease of low-value assets The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, godowns, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

2.14 Provisions, contingent liabilities and contingent assets.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability when discounting is used, the increase in the passage of time is recognized as finance costs.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an out flow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that can't be recognized because it can't be measured reliably.

A contingent liability is not recognized in the financial statements, but discloses its existence in the Financial Statement.

When the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

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

2.15 Dividend payable

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognized directly in equity.

2.16 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year ended translated at the year ended rates which is likely to be realized from, or required to disburse at the balance sheet date. Exchange differences arising on settlement of monetary items at rates different from those at which they were initially recorded / reported in financial statements are recognized as income or expense in the year in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

Notes on Financial Statements for the Year ended 31st March, 2023

2.17 Employee benefits

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement Profit & Loss Account of the period in which the related service is rendered.
- b) Long-term employee benefits are recognized as an expense in the Statement Profit & Loss Account for the year in which the employee has rendered services.

Defined Benefit Plans

The Company's liabilities on account of gratuity and earned leaves on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from registered actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19- 'Employee Benefits'.

i. Compensated absences

Accumulated leave, which is expected to be utilized within next 12 months, is treated as short term employee benefit and this is shown under current provisions in the Balance Sheet. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefits and shown under long term provisions in the Balance sheet.

ii. Gratuity

The Company provides for retirement benefits in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using projected unit credit method at the date of Balance sheet. Actuarial gain and Losses in respect of such benefits are recognized in Other Comprehensive Income.

2.18 Financial instruments

A Financial instrument is any contract that gives rise to financial assets of one entity and a financial liability or equity instrument of another party.

A. Financial Assets

a. Initial recognition

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are recognized initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognized in statement of profit and loss).

b. Subsequent measurement

i) Financial assets carried at amortized cost (AC)

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through statement of profit and loss (FVTPL)

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value either as at FVTOCI or FVTPL. The Company makes such election on instrument-by-instrument basis. For equity instruments

Notes on Financial Statements for the Year ended 31st March, 2023

measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss account.

c. De-recognition

A Financial Assets (or where applicable, part of financial assets) is primarily derecognized when:

1. The contractual right to receive cash flows from the assets have expired or
2. The Company has transferred its right to receive cash flow from the financial assets and subsequently all the risks and rewards of ownership of the assets to third party.

d. Reclassification of financial assets

Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

e. Impairment of financial assets

The Company recognized loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through Statement of Profit and loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to life time ECL

For all other financial assets, expected credit loss are measured at an amount equal to the twelve-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

B. Financial liabilities

a. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. The Company's financial liabilities include trade and other payable, loans and borrowing including bank over drafts, financial guarantee contracts and derivative financial instruments. Fees of recurring nature are directly recognized in statement of profit and loss as finance cost.

b. Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

i) Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when liabilities are de-recognized. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.

ii) Compound financial instruments

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortized cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognized in equity, net of income tax effects, and is not subsequently re-measured.

c. De-recognition of financial instruments

A financial liability is derecognized where the obligation under the liability is discharged or cancelled or expires where an existing financial liability is replaced by another from the same tender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of new liability. The difference in the respective carrying amounts is recognized in the statement of Profit and Loss.

d. Offsetting of financial instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Notes on Financial Statements for the Year ended 31st March, 2023

e. Fair value measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the Company being evaluated, the nature of industry in which it operates, the Company's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

f) Share capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

2.19 Impairment Non-financial assets

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal /external factor. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

An impairment loss is charged to the Statement of Profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

2.20 Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in Other Comprehensive Income (OCI).

Current tax

Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the balance sheet date. The tax is recognized in statement of profit and loss, except to the extent that it related to items recognized in the OCI or in other equity. In this case, the tax is also recognized in other comprehensive income and other equity.

Notes on Financial Statements for the Year ended 31st March, 2023

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

Deferred tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be recovered.

Unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.21 Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit/loss before other comprehensive income/loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit/loss before other comprehensive income/loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.22 Non-current assets (or disposal groups) held for sale and discontinued operations

a) Non-current assets (or disposal groups) are classified as held for sale if their carrying amount would be recovered principally through a sale/distribution rather than through continuing use and a sale/distribution is considered highly probable.

Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/ distribution would be made or that the decision to sell/distribute would be withdrawn. Management must be committed to sale/distribution expected within one year from the date of classification.

b) Immediately before the initial classification of the assets (and disposal groups) as held for sale, the carrying amount of the assets (or all the assets and liabilities in the disposal groups) are measured in accordance with their applicable accounting policy.

Non-current assets (or disposal groups) held for sale/for distribution to owners are subsequently measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

c) Non-current assets including those that are part of a disposal group (PPE and Intangible assets) once classified as held for sale/ distribution to owners are neither depreciated nor amortized. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

d) Non-current assets (including assets of a disposal group) classified as held for sale are presented separately from the other assets in the Balance sheet. The liabilities of a disposal group classified as held for sale/ distribution are presented separately from other liabilities in the Balance sheet.

Notes on Financial Statements for the Year ended 31st March, 2023

- e) A disposal group qualifies as discontinued operation, if it is a component of equity that has either being disposed of or is classified as Held for sale, and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinate plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented separately as a single amount as profit or loss after tax from discontinued operations in the Statement of Profit and Loss and comparative information is restated accordingly.

- f) All notes to the financial statements mainly include amounts for continuing operations, unless stated otherwise.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

2.24 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and debit balance of cash credit account if any and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

2.25 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Note No. : 3 Significant accounting judgment, estimates and assumptions

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Company accounting policies and preparation of financial statements

The use of such estimates, judgments and assumptions affects the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Estimates and Assumptions

The Company has based its assumptions and estimates on parameters available when the financial statement was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

Notes on Financial Statements for the Year ended 31st March, 2023

- i) Depreciation and useful lives of property, plant and equipment:** Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.
- ii) Income Tax:** Management judgment is required for calculation of income tax and deferred tax assets and liabilities. Deferred tax assets are recognized for unused losses (carry forward of prior years' losses) to the extent that it is probable that taxable profit would be available against which the losses could be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax. The factor used in estimate may differ from actual outcome which may lead to significant adjustment in the amounts in financial statement.
- iii) Recoverability of trade receivable:** Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.
- iv) Provisions for contingencies:** Provisions are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.
- v) Impairment of non-financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.
- vi) Estimation of Defined benefit obligations:** The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuation.
- An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.
- vii) Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- viii) Fair value measurement of financial instruments:** When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in activate markets, their fair value is measured using valuation technique. The input to these models are taken from the observable market where possible, but if this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to this assumption could affect the fair value of financial instrument.
- ix) Material uncertainty about going concern:** In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Notes on Financial Statements for the Year ended 31st March, 2023
Note No. 4 : Property, Plant and Equipments, Intangible Assets and Capital Work in Progress for Year Ended as on 31.03.2023
The change in carrying value of property, plant and equipment for the year ended 31st March, 2023 are as follows (₹ in Lakhs)

| Nature of Assets | GROSS CARRYING VALUE | | | DEPRECIATION/AMORTISATION | | | | NET CARRYING VALUE | | |
|---|----------------------|---------------------------|------------------------------|---------------------------|------------------|--------------------|---------------------|--------------------|------------------|------------------|
| | As on 01.04.2022 | Additions during the Year | Sold/ Adjust during the Year | As on 31.03.2023 | Upto 31.03.2022 | For the Year | On Sale/ Adjustment | Upto 31.03.2023 | As on 31.03.2023 | As on 31.03.2022 |
| A. Tangible Assets | | | | | | | | | | |
| Freehold Land (Factory) | 10,370.78 | 20.20 | - | 10,390.98 | - | - | - | - | 10,390.98 | 10,370.78 |
| Building | 5,843.02 | 57.71 | - | 5,900.73 | 1,149.03 | 217.90 | - | 1,366.93 | 4,533.80 | 4,693.99 |
| Leasehold Building Developments | 72.02 | - | - | 72.02 | 6.84 | 1.19 | - | 8.03 | 63.99 | 65.18 |
| Plant and Machinery | 64,829.79 | 2,938.07 | 10.00 | 67,757.86 | 14,172.91 | 3,112.13 | 3.79 | 17,281.25 | 50,476.61 | 50,656.88 |
| Furniture and Fixtures | 205.50 | 12.61 | - | 218.11 | 100.26 | 18.06 | - | 118.32 | 99.79 | 105.24 |
| Office Equipments | 516.98 | 82.58 | - | 599.56 | 335.84 | 71.99 | - | 407.83 | 191.73 | 181.14 |
| Weigh Bridges | 669.26 | 53.87 | - | 723.13 | 220.19 | 29.95 | - | 250.14 | 472.99 | 449.07 |
| Vehicles & Tractors | 1,099.22 | 441.01 | 34.60 | 1,505.63 | 357.00 | 153.36 | 29.14 | 481.22 | 1,024.41 | 742.22 |
| Biological Stock | 4.35 | - | - | 4.35 | - | - | - | - | 4.35 | 4.35 |
| Total (A) | 83,610.92 | 3,606.05 | 44.60 | 87,172.37 | 16,342.07 | 3,604.58 | 32.93 | 19,913.72 | 67,258.65 | 67,268.85 |
| B. Capital Work in Progress | | | | | | | | | | |
| Building, Plant & Machinery (Including Pre operative expenses of ₹38.30 lakhs pending for capitalization) refer Note No.34 o) | | | | | | | | | 688.93 | 448.49 |
| Total (B) | | | | | | | | | 688.93 | 448.49 |
| C. Intangible Assets | | | | | | | | | | |
| Computer Software | 20.10 | - | - | 20.10 | 14.54 | 0.97 | - | 15.51 | 4.59 | 5.56 |
| Right-of-use Assets | 93.31 | - | - | 93.31 | 62.21 | 20.74 | - | 82.95 | 10.36 | 31.10 |
| Total (C) | 113.41 | - | - | 113.41 | 76.75 | 21.71 | - | 98.46 | 14.95 | 36.66 |
| Grand Total (A+B+C) | 83,724.33 | 3,606.05 | 44.60 | 87,285.78 | 16,418.82 | 3,626.29 | 32.93 | 20,012.18 | 67,962.53 | 67,754.00 |
| Previous Year | 68,436.35 | 15,483.29 | 195.31 | 83,724.33 | 13,117.38 | 3391.87 (*) | 90.43 | 16,418.82 | 67,754.00 | 67,993.75 |

(*) Depreciation include ₹70.88 lakhs, capitalised during Trial Run (refer note no. 34 n)

Notes on Financial Statements for the Year ended 31st March, 2023

Note No. 4 : Property, Plant and Equipments, Intangible Assets and Capital Work in Progress for Year Ended as on 31.03.2023

D. Capital Work in Progress ageing schedule outstanding as on 31.03.2023: (₹ in Lakhs)

| Particulars | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in Progress | 668.93 | - | - | 20.00 | 688.93 |

Capital Work in Progress ageing schedule outstanding as on 31.03.2022: (₹ in Lakhs)

| Particulars | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Projects in Progress | 428.49 | - | 20.00 | - | 448.49 |

E. The title deeds of the immovable property as disclosed in the Property, Plant and Equipment are held in the name of Company, except for the following freehold land:

| Relevant line item in the balance sheet | Description of item of Property | Gross Carrying Value (₹ in Lakhs) | Title deed held in the name of | Whether title deed holder is a promoter, director or relative of promoters or directors | Property held since which date | Reason for not being held in the name of company |
|---|---|-----------------------------------|--|---|--------------------------------|--|
| Note No.3 Freehold Land (Factory) | Khasra No.-122 at Village Barkatpur, Pudukhurd Pargana-Kiratpur, Tehsil-Najibabad, Distt. Bijnor (U.P.) | 0.11 | Babu Das s/o Shri Banwari, village: Motipur, Tehsil: Nigasan Distt. Lakhimpur Khiri (U.P.) | No | 12 th August 2004 | Statutory procedures are pending |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|--|---------------------------------------|---------------------------------------|
| Note No. 5 : Other Financial Assets | | |
| (Unsecured, considered good, unless stated otherwise) | | |
| (i) Non-Current (Unsecured, considered good) | | |
| Carried at amortized cost | | |
| Security deposits with others | 9.63 | 9.63 |
| Fixed deposits with banks and other Govt. depts. | | |
| (Bank deposits with more than 12 months maturity) | | |
| For Molasses storage fund (earmarked) (including interest) | 37.12 | 33.09 |
| Total (i) | 46.75 | 42.72 |
| (ii) Current (Unsecured, considered good) | | |
| Carried at amortized cost | | |
| Advances to employees | 80.43 | 106.33 |
| Security deposits with others | 9.78 | 28.98 |
| Claim receivable | 297.62 | 387.40 |
| Other Receivables | 530.79 | 192.05 |
| Total (ii) | 918.62 | 714.76 |
| Total (i+ii) | 965.37 | 757.48 |
| Note No. 6 : Other Non-Current Assets | | |
| (Unsecured, Considered good unless stated otherwise) | | |
| Capital Advances | | |
| To Others | 1,297.84 | 266.61 |
| To Related parties (refer note no. 34 s) | 85.62 | - |
| Balance with Income Tax department (under protest) | - | 4.00 |
| Security deposits with Government authorities (including interest) | 68.94 | 67.88 |
| Prepaid expenses | 69.39 | 62.55 |
| Total | 1,521.79 | 401.04 |
| Note No. 7 : Inventories (Valued at cost or net realisable value, whichever is lower unless stated otherwise) | | |
| (a) Raw material | 206.28 | 844.10 |
| (b) Work-in-progress | 1,517.03 | 1,486.68 |
| (c) Finished Goods | | |
| Sugar | 67,723.19 | 69,548.33 |
| Goods in transit (Sugar) | 6.15 | 530.22 |
| Industrial alcohol | 374.34 | 237.53 |
| Goods in transit (Industrial alcohol) | 402.10 | 297.69 |
| Sanitizer | 3.70 | 8.30 |
| Banked power | 35.62 | 33.04 |
| Renewal Energy Certificates (REC) | 133.60 | 5.44 |
| Stock in Trade | 1.79 | 1.07 |
| (d) By-products | 12,562.36 | 5,317.12 |
| (e) Stores, Spare Parts and Packing Materials | 2,159.25 | 1,650.45 |
| Total | 85,125.41 | 79,959.97 |
| Carrying amount of inventories pledged as security for Borrowings | 51,706.85 | 46,819.20 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|---|---------------------------------------|---------------------------------------|
| Note No. 8 : Trade and Other Receivables (Carried at Amortized Cost) | | |
| (i) Current (Unsecured) | | |
| Trade receivables-considered good | 4,767.19 | 6,106.26 |
| Total (i) | 4,767.19 | 6,106.26 |
| (ii) Current (Unsecured) | | |
| Trade receivables-which have significant increase in credit risk | - | - |
| Less: Provision for which have significant increase in credit risk | - | - |
| Total (ii) | - | - |
| Total (i+ii) | 4,767.19 | 6,106.26 |

Trade Receivable Ageing schedule outstanding as on 31.03.2023

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|-------------------|--------------|-----------|-------------------|-----------------|
| | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (I) Undisputed Trade Receivables - considered good | 4,730.12 | 14.59 | 22.48 | - | - | 4,767.19 |
| (II) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (III) Undisputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| (IV) Disputed Trade Receivables - considered good | - | - | - | - | - | - |
| (V) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (VI) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| Total | 4,730.12 | 14.59 | 22.48 | - | - | 4,767.19 |

Trade Receivable Ageing schedule outstanding as on 31.03.2022

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|-------------------|-----------|-----------|-------------------|-----------------|
| | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (I) Undisputed Trade Receivables - considered good | 5,797.14 | 302.17 | - | - | 6.95 | 6,106.26 |
| (II) Undisputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (III) Undisputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| (IV) Disputed Trade Receivables - considered good | - | - | - | - | - | - |
| (V) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| (VI) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - |
| Total | 5,797.14 | 302.17 | - | - | 6.95 | 6,106.26 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|--|---------------------------------------|---------------------------------------|
| Note No. 9 : Cash and Cash Equivalents | | |
| Balances with banks | | |
| In current and cash credit accounts | 610.19 | 808.96 |
| Cash on hand | 19.89 | 41.05 |
| Total | 630.08 | 850.01 |
| Note No. 10 : Bank balances other than Cash and Cash Equivalents | | |
| Earmarked balances | | |
| In current account for unpaid dividend | 4.85 | - |
| Fixed deposits for molasses storage fund | | |
| Current portion of original maturity period more than 12 months (Including Interest) | 6.10 | 5.81 |
| Original maturity period upto 12 months (Including Interest) | 8.69 | 8.31 |
| Fixed deposits pledged with bank and other Govt. depts. | | |
| Current portion of original maturity period more than 12 months | - | - |
| Original maturity period upto 12 months | 308.11 | 293.89 |
| Total | 327.75 | 308.01 |
| Note No. 11 : Current Tax Assets(net) | | |
| Advance Tax and TDS & TCS | 3,845.77 | 137.33 |
| Less: Provision for taxation | 3,700.00 | - |
| Total | 145.77 | 137.33 |
| Note No. 12 : Other Current Assets (Unsecured, considered good) | | |
| Current | | |
| Advances to suppliers | | |
| Other Parties | 112.29 | 126.84 |
| Related parties (refer note no. 34 s) | - | 40.00 |
| Balance with Government authorities | 38.74 | 33.39 |
| GST Receivable | 90.70 | 145.68 |
| Security deposits with Government authorities | 7.17 | 22.11 |
| Prepaid expenses | 164.25 | 177.36 |
| Other advances | 355.43 | 92.54 |
| Total | 768.58 | 637.92 |
| Note No. 13 : Non Current Assets Classified as Held for Sale | | |
| Assets held for disposal | 7.82 | 22.47 |
| Total | 7.82 | 22.47 |
| Particulars of Assets held for sale | | |
| Free hold land | 7.82 | 7.82 |
| Capital work in progress (Plant and machinery) | - | 14.65 |
| Total | 7.82 | 22.47 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at | |
|---|------------------------------|------------------------------|
| | 31 st March, 2023 | 31 st March, 2022 |
| Note No. 14 : Share Capital | | |
| (a) Authorised | | |
| Equity Share Capital | | |
| 70000000 Equity Shares of ₹10/- each | 7,000.00 | 7,000.00 |
| Preference Share Capital | | |
| 13500000 Preference Shares of ₹ 100/- each | 13,500.00 | 13,500.00 |
| Total (a) | 20,500.00 | 20,500.00 |
| (b) Issued, Subscribed and Paid-up Capital | | |
| 38138120 Equity Shares of ₹ 10/- each fully paid up | 3,813.81 | 3,813.81 |
| Total (b) | 3,813.81 | 3,813.81 |

a) Terms & Conditions of Equity Shares

- The Company has one class of Equity shares having a par value of ₹ 10/- each.
- Each shareholder is eligible for one vote per shares held.
- The dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in the case of interim dividend.
- In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

b) The Company does not have any holding company/subsidiary company and associate company.**c) Shares in the Company held by each shareholders holding more than 5% shares**

| Name of Equity Shareholders | As at 31 st March 2023 | | As at 31 st March 2022 | |
|--|--------------------------------------|-------------------|--------------------------------------|-------------------|
| | No. of Shares held | Percentage (%) | No. of Shares held | Percentage (%) |
| Uttam Adlakha & Sons Holdings Pvt. Limited | 16301224 | 42.74% | 16301224 | 42.74% |
| Lipi Boilers (P) Limited | 3515000 | 9.22% | 3515000 | 9.22% |
| Uttam Industrial Engineering (P) Limited | 2750000 | 7.21% | 2750000 | 7.21% |

d) There are Nil number of shares (Previous Year Nil) reserved for issue under option and contracts/commitment for the sale of shares/disinvestment including the terms and amounts.

e) For the period of five years immediately preceding the date at which the balance sheet is prepared

| Particulars | No. of Shares |
|---|---------------|
| Aggregate number and class of shares allotted as fully paid up pursuant to Contract(s) without payment being received in cash | Nil |
| Aggregate number and class of shares allotted as fully paid up by way of bonus shares | Nil |
| Aggregate number and class of shares bought back | Nil |

f) There are no securities (Previous Year nil) convertible into Equity

g) The Company's shares are fully paid up.

h) Reconciliation of No. of Shares Outstanding:

| Particulars | 31.03.2023 | 31.03.2022 |
|------------------------------|------------|------------|
| Equity Shares | | |
| At the beginning of the year | 38138120 | 38138120 |
| Change during the year | - | - |
| At the end of the year | 38138120 | 38138120 |

Notes on Financial Statements for the Year ended 31st March, 2023

Note No. : 14 i) Share Capital: Detail of shareholding of Promoters:

Shares held by promoters at the end of year as on 31.03.2023

| Promoters/Promoters group Name | No. of shares as on 31.03.2022 | % of Total Shares | Change during the year | No. of shares as on 31.03.2023 | % of Total Shares | % of Changes |
|---|--------------------------------|-------------------|------------------------|--------------------------------|-------------------|--------------|
| Raj Kumar Adlakha | 1,624,610 | 4.26 | - | 1,624,610 | 4.26 | - |
| Rajan Adlakha | 367,010 | 0.96 | (288,922) | 78,088 | 0.20 | (78.72) |
| Ranjan Adlakha | 1,492,550 | 3.91 | - | 1,492,550 | 3.91 | - |
| Uttam Industrial Engineering Pvt. Ltd. | 2,750,000 | 7.21 | - | 2,750,000 | 7.21 | - |
| Uttam Sucrotech Ltd. | 314,267 | 0.82 | (313,267) | 1,000 | 0.00 | (99.68) |
| Lipi Boilers Private Limited | 3,515,000 | 9.22 | - | 3,515,000 | 9.22 | - |
| R.K. & Sons (Huf) | 4,104 | 0.01 | - | 4,104 | 0.01 | - |
| Balram Adlakha | 3,100 | 0.01 | - | 3,100 | 0.01 | - |
| Jai Adlakha | 4,200 | 0.01 | - | 4,200 | 0.01 | - |
| Sonia Adlakha | 10 | 0.00 | - | 10 | 0.00 | - |
| Shomna Adlakha | 870,410 | 2.28 | - | 870,410 | 2.28 | - |
| Kumari Shanta | 60,000 | 0.16 | - | 60,000 | 0.16 | - |
| Ranjana Chopra | 373,300 | 0.98 | 1 | 373,301 | 0.98 | - |
| Shubham Sugars Ltd. | 70,240 | 0.18 | - | 70,240 | 0.18 | - |
| Rajni Babbar | 139,910 | 0.37 | - | 139,910 | 0.37 | - |
| Sunayna Sunna Adlakha (U/G-Shomna Adlakha) | 114,856 | 0.30 | - | 114,856 | 0.30 | - |
| Uttam Adlakha & Sons Holdings Private Limited | 16,301,224 | 42.74 | - | 16,301,224 | 42.74 | - |
| New Castle Finance & Leasing Pvt. Ltd. | 380,650 | 1.00 | - | 380,650 | 1.00 | - |
| Total | 28,385,441 | 74.43 | (602,188) | 27,783,253 | 72.85 | |

Shares held by promoters at the end of year as on 31.03.2022

| Promoters/Promoters group Name | No. of shares as on 31.03.2021 | % of Total Shares | Change during the year | No. of shares as on 31.03.2022 | % of Total Shares | % of Changes |
|---|--------------------------------|-------------------|------------------------|--------------------------------|-------------------|--------------|
| Raj Kumar Adlakha | 1,624,610 | 4.26 | - | 1,624,610 | 4.26 | - |
| Rajan Adlakha | 367,010 | 0.96 | - | 367,010 | 0.96 | - |
| Ranjan Adlakha | 1,492,550 | 3.91 | - | 1,492,550 | 3.91 | - |
| Uttam Industrial Engineering Pvt. Ltd. | 2,750,000 | 7.21 | - | 2,750,000 | 7.21 | - |
| Uttam Sucrotech Ltd. | 314,267 | 0.82 | - | 314,267 | 0.82 | - |
| Lipi Boilers Private Limited | 3,515,000 | 9.22 | - | 3,515,000 | 9.22 | - |
| R.K. & Sons (Huf) | 4,104 | 0.01 | - | 4,104 | 0.01 | - |
| Balram Adlakha | 3,100 | 0.01 | - | 3,100 | 0.01 | - |
| Jai Adlakha | 4,200 | 0.01 | - | 4,200 | 0.01 | - |
| Bharat Adlakha | 166,500 | 0.44 | (166500) | - | 0.00 | (100) |
| Saieesha Adlakha | 166,500 | 0.44 | (166500) | - | 0.00 | (100) |
| Sonia Adlakha | 10 | 0.00 | - | 10 | 0.00 | - |
| Shomna Adlakha | 870,410 | 2.28 | - | 870,410 | 2.28 | - |
| Kumari Shanta | 60,000 | 0.16 | - | 60,000 | 0.16 | - |
| Ranjana Chopra | 373,300 | 0.98 | - | 373,300 | 0.98 | - |
| Shubham Sugars Ltd. | 70,240 | 0.18 | - | 70,240 | 0.18 | - |
| Rajni Babbar | 139,910 | 0.37 | - | 139,910 | 0.37 | - |
| Sunayna Sunna Adlakha (U/G-Shomna Adlakha) | - | 0.00 | 114856 | 114,856 | 0.30 | 100 |
| Uttam Adlakha & Sons Holdings Private Limited | 16,301,224 | 42.74 | - | 16,301,224 | 42.74 | - |
| New Castle Finance & Leasing Pvt. Ltd. | 380,650 | 1.00 | - | 380,650 | 1.00 | - |
| Total | 28,603,585 | 75.00 | (218,144) | 28,385,441 | 74.43 | |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|---|---------------------------------------|---------------------------------------|
| Note No. 15 : Other Equity | | |
| (a) Equity Component of Compound Financial Instruments | | |
| As per last Balance Sheet | 1,223.94 | 2,819.18 |
| Less: Annual Impact of Ind AS amortization of preference shares (refer note no. 30) | 226.42 | 530.07 |
| Less: Impact of redemption of Preference Shares out of opening balance | 208.08 | 1,065.17 |
| | <u>789.44</u> | <u>1,223.94</u> |
| (b) Security Premium reserve | | |
| As per last balance sheet | 15,252.82 | 15,252.82 |
| (c) Capital Redemption reserve | | |
| Balance as per Last Balance Sheet | 5,066.85 | 1,676.55 |
| Add: Amount transferred during the year | 417.70 | 3,390.30 |
| | <u>5,484.55</u> | <u>5,066.85</u> |
| (d) Retained Earnings | | |
| Balance as per Last Balance Sheet | 20,919.81 | 10,232.77 |
| Less: Transfer to Capital Redemption Reserve on redemption during the year of | | |
| (i) 199000 (P.Y.2973300) 6.50% Non-Cumulative Redemable Preference Shares | 199.00 | 2,973.30 |
| (ii) 218700 (P.Y.417000) 10% Non-Cumulative Redemable Preference Shares | 218.70 | 417.00 |
| Add : Annual Impact of IND As amortization of preference shares (refer note no.30) | 226.42 | 530.07 |
| Add : Profit for the Year | 12,362.14 | 13,492.02 |
| Add : Other comprehensive income for the year | 21.87 | 55.25 |
| Less: Equity Dividend paid out of retained earnings | 762.76 | - |
| Less: Preference Dividend paid out of retained earnings | 48.04 | - |
| | <u>32,301.73</u> | <u>20,919.81</u> |
| Total (a+b+c+d) | <u>53,828.54</u> | <u>42,463.42</u> |

Footnotes:-

- (i) Equity component of compound financial instruments has been created at the time of adoption of Ind-AS on the outstanding balance of the redeemable preference shares with the Company. It shall be utilised in the manner prescribed under Ind-AS
- (ii) Securities premium represented the amount received in excess of face value of shares on issue and will be utilised in accordance with the provisions of the Act
- (iii) Capital redemption reserve is created consequent to redemption of preference shares. This reserve shall be utilised in accordance with the provisions of the Act
- (iv) Retained earnings represents the undistributed profit / amount of accumulated earnings of the company.
- (v) Other Comprehensive Income represents the balance in equity relating to re-measurement gain/(loss) of defined benefit obligation.

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|---|---------------------------------------|---------------------------------------|
| Note No. 16 : Borrowings | | |
| (i) Non-current | | |
| Carried at amortized Cost | | |
| (A) Secured Loan | | |
| Term Loans - from Banks | 2,316.19 | 8,596.62 |
| Zila Sahkari Bank Ltd., Ghaziabad | 1,194.45 | 4,385.67 |
| Uttarakhand State Co-Op. Bank Limited | 1,121.74 | 4,210.95 |
| Vehicle Loans | 168.12 | 64.99 |
| From Punjab National Bank | 162.39 | 49.11 |
| From Non banking finance Company | 5.72 | 15.88 |
| (B) Unsecured Loans | | |
| Loan from related party (refer note no.34 s) | 27.31 | 27.31 |
| Total (i) | 2,511.61 | 8,688.92 |
| (ii) Current | | |
| Secured Loans | | |
| (A) Loan repayable on demand | | |
| Cash Credit from Banks | | |
| Punjab National Bank | 14,725.27 | 10,208.92 |
| State Bank of India | 10,368.50 | 8,444.01 |
| Uttarakhand State Co-Op. Bank Limited | 350.36 | 4,983.61 |
| Zila Sahkari Bank Limited, Bijnor | - | 4,681.25 |
| Zila Sahkari Bank Limited, Ghaziabad | 7,160.49 | 5,094.62 |
| Axis Bank Limited | 4,003.42 | - |
| Indusind Bank Limited | 3,922.38 | - |
| District Co-Operative Bank Limited, Bulandshahr | - | 2,044.62 |
| District Co-Operative Bank Limited, Muzaffarnagar | 8,185.31 | 8,782.75 |
| District Co-Operative Bank Limited, Saharanpur | 2,991.12 | 2,579.42 |
| Total (ii) | 51,706.85 | 46,819.20 |
| Carried at amortized Cost | | |
| (B) Current maturities of long term debt | | |
| Secured Loans | | |
| Term Loans - from Banks | 4,344.05 | 6,211.04 |
| Zila Sahkari Bank Ltd., Ghaziabad | 2,468.12 | 4,159.23 |
| Uttarakhand State Co-Op. Bank Limited | 1,875.93 | 1,697.96 |
| Punjab National Bank - CECF | - | 353.85 |
| From entities other than Banks | | |
| From Govt. of India, Sugar Development Fund (SDF) | - | 50.31 |
| CC Under Repayment from Banks | | 1,487.11 |
| Punjab National Bank | - | 1,199.90 |
| IDBI Bank Limited | - | 105.03 |
| Indian Overseas Bank | - | 182.18 |
| Vehicle Loans | 120.16 | 64.75 |
| From Punjab National Bank | 110.47 | 50.93 |
| From Non banking finance Company | 9.69 | 13.82 |
| Unsecured Loan | | |
| Soft Loan from Uttarakhand State Government | 656.68 | 656.68 |
| Total (iii) | 5,120.89 | 8,469.89 |
| Total (ii + iii) | 56,827.74 | 55,289.09 |
| Total (i + ii + iii) | 59,339.35 | 63,978.01 |

Notes on Financial Statements for the Year ended 31st March, 2023

I) Terms & Conditions of Secured Loans

1. Term Loan from Uttarakhand State Co-Operative Bank Limited

Term Loan from Uttarakhand State Co-Operative Bank Limited are secured by First charge on all movable assets forming part of fixed/block assets both present & future, and Joint Equitable Mortgage on company's immovable properties situated at Village Libberheri, Roorkee, District Haridwar (Uttarakhand) on First Charge basis and also guaranteed by Managing Director of the company.

2. Term Loan from Zila Sahkari Bank Limited, Ghaziabad:-

a) For payment of cane price arrears of Sugar Season 2016-17 and 2017-18

Term Loans from Zila Sahkari Bank Limited, Ghaziabad for the sugar factories of the company are secured on First charge basis on all movable assets forming part of fixed/block assets, both present & future and Joint Equitable Mortgage on company's immovable properties of respectively units situated at Village Shermau, Village Khaikheri and Village Barkatpur for which credit facility is availed and also guaranteed by Managing Director of the company.

b) Term Loan for Incineration Boiler installation at Barkatpur Unit

Term Loan from Zila Sahkari Bank Limited, Ghaziabad for installation of Incineration Boiler at Barkatpur factory is secured by way of first charge basis on all Fixed assets of the sugar factory at Barkatpur Unit of the Company, both present & future on pari-passu basis, including Incineration Boiler financed by them and also guaranteed by Managing Director of the company.

c) Term Loan for installation of Distillery at Barkatpur Unit

Term Loan from Zila Sahkari Bank Limited, Ghaziabad for expansion of Distillery unit at Barkatpur is secured by way of exclusive first charge on fixed assets of the company financed by the Bank and also by first charge on all other fixed assets situated at Barkatpur Unit of the company on pari-passu basis and also guaranteed by Managing Director of the company.

d) For off season expenses including repair and maintenance (since fully repaid during the year)

Term Loans from Zila Sahkari Bank Limited, Ghaziabad for the sugar factories of the company situated at Village Shermau, Village Khaikheri and Village Barkatpur, were secured by way of Residual charge on movable assets forming part of fixed/block assets, both present & future, and Joint Equitable Mortgage on company's immovable properties to be created on the respective factories for which credit facility is availed and also guaranteed by Managing Director of the company.

3. CC Under Repayment from Banks(since fully repaid during the year)

- i) CC Under repayment from Banks were secured on first pari passu charge by way of Joint Equitable Mortgage on Company's immovable properties and first charge by way of hypothecation of all movable properties of the Company on pari passu basis.
- ii) CC Under repayment from Banks were also secured by third pari-passu charge basis on whole of the current assets (stock, book debts etc.), both present and future.
- iii) CC Under repayment from Banks were also secured by way of Pledge on pari-passu basis of 94,84,170 Equity Shares in the company held by Promoters of the Company viz. Mr. Raj Kumar Adlakha, Mr. Rajan Adlakha, Mr. Ranjan Adlakha, M/s Uttam Industrial Engineering Private Limited, M/s Uttam Sucrotech Limited and M/s Lipi Boilers Private Limited. (*)
- iv) CC Under repayment from Banks were also guaranteed by Managing Director of the Company and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of five Promoter / Group Companies (viz. Uttam Industrial Engineering Private Limited, Uttam Sucrotech Limited, Lipi Boilers Private Limited, Uttam Housinginfra Limited and Uttam Adlakha & Sons Holdings Private Limited).
- v) CC Under Repayment from Banks were also secured by way of Joint Equitable Mortgage on the immovable properties situated at H-2, Kaushambi, Ghaziabad owned by a group company, M/s Uttam Housinginfra Limited.

(*) During the year lenders have released 9484170 equity shares of promoters.

4. Term Loan [COVID-19 Emergency Credit Facility (PNB-CECF)] (since fully repaid during the year) from Punjab National Bank

- i) Term Loan PNB-CECF was also secured by pledge of warehouse receipt covering sugar stocks in possession of collateral managers appointed by bank.
- ii) Term Loan PNB-CECF was secured on first pari passu charge over entire current assets of the Company (both present & future).

Notes on Financial Statements for the Year ended 31st March, 2023

- iii) Term Loan PNB-CECF was also secured on third Pari passu charge on entire Block of assets of the company.
- iv) Term Loan PNB-CECF was also guaranteed by Managing Director of the company and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of five Promoter / Group Companies (viz. Uttam Industrial Engineering Private Limited, Uttam Sucrotech Limited, Lipi Boilers Private Limited, Uttam Housinginfra Limited and Uttam Adlakha & Sons Holdings Private Limited).

5. Term Loan from Govt. of India, Sugar Development Fund through IFCI Ltd. (since fully repaid during the year)

Term Loan from Govt. of India, Sugar Development Fund through IFCI Ltd was secured by an exclusive second charge on movable assets (except book debts) and Company's immovable properties.

6. Vehicle loans

Vehicle loans from Punjab National Bank/ Non-Banking Finance Company are secured by way of hypothecation of vehicle financed by them.

II) Terms & Conditions of Unsecured Loans

Unsecured Loans from Related parties shall be repayable after a period of three years. Simple interest @ 10% will be accrued annually on 31st March every year but is payable on maturity or date of repayment of loan, whichever is earlier.

1. Non-Fund Based Working Capital Limits from Punjab National Bank (Working Capital Limits)

- a) Non-Fund Based Working Capital Limits from Punjab National Bank are secured/to be secured by first pari passu charges by hypothecation of stocks of raw materials, sugar, molasses, other stores and spares and book debts/receivables of the Company both present and future and third pari passu charge on movable and immovable assets of the Company.
- b) Non-Fund Based Working Capital Limit is also guaranteed by Managing Director of the company and corporate guarantee of Uttam Adlakha & Sons Holdings Private Limited.

2. Working Capital Demand Loan/RDL (WHR) from State Bank of India

Working Capital Demand Loan/RDL (WHR) from State Bank of India is secured by Exclusive Charge by way of pledge of sugar stocks kept under commodity backed warehouse receipt finance scheme of SBI and also guaranteed by Managing Director of the company and Corporate Guarantee of Uttam Adlakha and Sons Holding Pvt Limited.

3. Cash Credit (Pledge) Limit from Punjab National Bank

- a) Cash Credit (Pledge) Limit from Punjab National Bank is secured by way of pledge of stocks of sugar at Libberheri, Shermau, Barkatpur and Khaikheri units of the company.
- b) Cash Credit (Pledge) Limit from Punjab National Bank is also guaranteed by Managing Director of the company and corporate guarantee of Uttam Adlakha & Sons Holdings Private Limited.
- c) Cash Credit (Pledge) Limit from Punjab National Bank is secured/to be secured on the third pari passu charge on immovable assets of the Company.

4. Cash Credit facility from Uttarakhand State Co-Operative Bank Limited

Cash Credit facility from Uttarakhand State Co-Operative Bank Limited is secured by pledge of stocks of sugar at Libberheri Sugar Factory of the Company. The Cash Credit Facility is also secured by residual charge on immovable and movable properties of the Libberheri Sugar Factory of the Company.

5. Cash Credit facility from District Co-operative Bank Ltd. Muzaffarnagar

Cash Credit facility from District Co-operative Bank Ltd. Muzaffarnagar is secured by Pledge of stocks of sugar at Khaikheri Sugar Factory of the Company. The Cash Credit Facility is also secured by residual charge on immovable and movable properties of the Khaikheri Sugar factory of the Company. This facility is also guaranteed by Managing Director of the company.

Notes on Financial Statements for the Year ended 31st March, 2023

6. Cash Credit facility from Zila Sahkari Bank Limited, Ghaziabad

a) Cash Credit facility for Khaikheri Unit

Cash Credit facility from Zila Sahkari Bank Limited, Ghaziabad is secured by pledge of stocks of sugar at Khaikheri Sugar Factory of the Company. The Cash Credit Facility is also secured by residual charge on immovable and movable properties of the Khaikheri Sugar factory of the Company. This facility is also guaranteed by Managing Director of the company.

b) Cash Credit facility for Shermau Unit

Cash Credit facility from Zila Sahkari Bank Limited, Ghaziabad is secured by pledge of stocks of sugar at Shermau Sugar Factory of the Company. The Cash Credit Facility is also secured by Residual charge on immovable and movable properties of the Shermau Sugar factory of the Company. This facility is also guaranteed by Managing Director of the company.

7. Cash Credit facility from District Co-operative Bank Ltd. Saharanpur for Shermau Unit

Cash Credit facility from District Co-operative Bank Ltd. Saharanpur is secured by pledge of stocks of sugar at Shermau Sugar factory of the Company. The Cash Credit facility is also secured by residual charge on immovable and movable properties of the Shermau Sugar factory of the Company. This facility is also guaranteed by Managing Director of the company.

8. Cash Credit facility from Indusind Bank Limited

Cash Credit facility from Indusind Bank Limited is secured by Exclusive charge by way of pledge of stocks as per the warehouse receipt. The Cash Credit facility is also guaranteed by Managing Director and corporate guarantee of Uttam Adlakha & Sons Holdings Private Limited.

9. Cash Credit facility from Axis Bank Limited

Cash Credit facility from Axis Bank Limited is secured by Pledge of Warehouse Receipts and Storage Receipts. The Cash Credit facility is also guaranteed by Managing Director of the company.

10. Cash Credit facility from District Co-operative Bank Limited, Bulandshahr (since fully repaid during the year) for Shermau Unit

Cash Credit facility from Zila Sahkari Bank Limited, Bulandshahr was secured by pledge of stocks of sugar at Shermau Sugar Factory of the Company. The Cash Credit facility was also secured by Residual charge on immovable and movable properties of the Shermau Sugar factory of the Company. This facility was also guaranteed by Managing Director of the company.

11. Cash Credit facility from Zila Sahkari Bank Limited, Bijnor (since fully repaid during the year) for Barkatpur Unit

Cash Credit facility from Zila Sahkari Bank Limited, Bijnor was secured by Pledge of stocks of sugar at Barkatpur Sugar factory of the Company. This facility was also guaranteed by Managing Director of the company.

12. Terms & Condition of unsecured loan from Uttarakhand State Government

Financial Assistance from Uttarakhand State Government amounting to ₹656.68 lakhs and interest accrued & due thereon of ₹ 477.37 lakhs was repayable in three years in quarterly installments w.e.f. January 2008 however the same continues to be unpaid. An application for waiver off such loan is pending with the Government of Uttarakhand.

Notes on Financial Statements for the Year ended 31st March, 2023

MATURITY PROFILE AS ON MARCH 31, 2023

| Particulars | ROI | Long Term | | | | | | | | | | | | Total (₹ in Lakhs) | | | |
|--|--------|-------------|-----------------|-------------|------------|---------------|------------|-------------|---------------|-------------|------------|---------------|---|-----------------------|--------------|-----------------|--------|
| | | 2024-25 | | 2025-26 | | 2026-27 | | 2027-28 | | 2028-29 | | | | | | | |
| | | No of Inst. | ₹ in Lakhs | No of Inst. | ₹ in Lakhs | No of Inst. | ₹ in Lakhs | No of Inst. | ₹ in Lakhs | No of Inst. | ₹ in Lakhs | | | | | | |
| Uttarakhand State Co-op. Bank Ltd. (New Soft Loan) | 11.00% | 2 | 185.89 | + | | | | | | | | | | | 185.89 | | |
| Uttarakhand State Co-op. Bank Ltd. (Distillery) | 11.00% | 9 | 935.85 | # | | | | | | | | | | | 935.85 | | |
| Zila Sahkari Bank Ltd. Ghaziabad - Expansion of Distillery | 9.00% | 3 | 21.64 | * | 12 | 92.63 | * | 12 | 103.03 | * | 12 | 114.40 | * | 9 | 93.90 | * | 425.60 |
| Zila Sahkari Bank Ltd. Ghaziabad- Soft Cane Loan | 5.00% | 2 | 265.24 | \$ | | | | | | | | | | | | 265.24 | |
| Zila Sahkari Bank Ltd. Ghaziabad - Incineration Boiler | 11.00% | 8 | 503.60 | ^ | | | | | | | | | | | | 503.60 | |
| Toyota Financial Services India Limited | 7.50% | 9 | 5.73 | | | | | | | | | | | | | 5.73 | |
| Punjab National Bank | 9.25% | 8 | 12.94 | | | | | | | | | | | | | 12.94 | |
| Punjab National Bank | 9.25% | 12 | 56.36 | | 3 | 14.78 | | | | | | | | | | 71.14 | |
| Punjab National Bank | 9.25% | 12 | 5.87 | | 6 | 2.92 | | | | | | | | | | 8.79 | |
| Punjab National Bank | 8.60% | 12 | 5.94 | | 11 | 6.08 | | | | | | | | | | 12.02 | |
| Punjab National Bank | 8.40% | 12 | 32.95 | | 9 | 24.55 | | | | | | | | | | 57.50 | |
| Total | | | 2,032.01 | | | 140.96 | | | 103.03 | | | 114.40 | | | 93.90 | 2,484.30 | |

+including ₹17.11 Lakhs on account of effective rate of interest adjustment.

#including ₹75.60 Lakhs on account of effective rate of interest adjustment.

*including ₹72.77 Lakhs on account of effective rate of interest adjustment.

\$including ₹72.48 Lakhs on account of effective rate of interest adjustment.

^including ₹78.22 Lakhs on account of effective rate of interest adjustment.

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|---|---------------------------------------|---------------------------------------|
| Note No. 17 : Other Financial Liabilities | | |
| (i) Non-current | | |
| Reclassification of Preference shares capital as financial liabilities | 2,195.31 | 2,397.21 |
| Following preference shares redeemed during the year | | |
| 199000 (P.Y.2973300) 6.50% Non-Cumulative Redeemable Preference Shares | | |
| 218700 (P.Y.417000) 10% Non-Cumulative Redeemable Preference Shares | | |
| Outstanding of preference shares at the end of the year are as under:- | | |
| 376150 (P.Y.575150) 6.50% Non-Cumulative Redeemable Preference Shares | | |
| 1304300 (P.Y.1523000) 10% Non-Cumulative Redeemable Preference Shares | | |
| Total | 2,195.31 | 2,397.21 |
| (ii) Current | | |
| Interest accrued but not due on borrowings | 24.53 | 22.16 |
| Interest accrued and due on State Govt. loan | 477.37 | 451.10 |
| Security deposits | 485.78 | 504.21 |
| Due to directors | 322.31 | 34.88 |
| Unpaid Dividend | 4.85 | - |
| Other Liabilities | 175.37 | 357.07 |
| Total (ii) | 1,490.21 | 1,369.42 |
| Total (i + ii) | 3,685.52 | 3,766.63 |

(A) Terms & condition of Preference Shares capital reclassified due to adoption of Ind AS as financial Liabilities, is as under:-

Series-1 6.50% Non-Cumulative Redeemable Preference Shares

1. Rate of dividend on these Preference shares is 6.50%.
2. The Preference shares are Non-Cumulative with reference to the dividend.
3. The Preference shares shall be redeemed on the call of the Company on or before 31st March, 2026.
4. The Preference shareholders will have no voting rights except as provided in the Companies Act, 2013.

Series-2 10% Non-Cumulative Redeemable Preference Shares

1. Rate of dividend on these Preference shares is 10%.
2. The Preference shares are Non-Cumulative with reference to the dividend.
3. The Preference shares shall be redeemed on the call of the Company on or before 31st March, 2026.
4. The Preference shareholders will have no voting rights except as provided in the Companies Act, 2013.

(B) Financial Assistance from Uttarakhand State Government amounting to ₹656.68 lakhs and interest accrued & due thereon of ₹ 477.37 lakhs was repayable in three years in quarterly installments w.e.f. January 2008 however the same continues to be unpaid. An application for waiver off such loan is pending with the Government of Uttarakhand.

(C) There is no due and outstanding to be created to Investors' Education and Protection Fund as on Balance Sheet date.

Note No. 18 : Deferred Revenue (including Government grant)

| | | |
|---|-----------------|----------|
| Opening Balance | 1,559.18 | 2,287.01 |
| Add: Received during the year | 72.76 | 27.88 |
| Less : Released to statement of profit and loss account | 662.30 | 755.71 |
| Closing Balance | 969.64 | 1,559.18 |
| Current | 653.46 | 662.30 |
| Non Current | 316.18 | 896.88 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 | |
|--|---------------------------------------|---------------------------------------|-----------------------------|
| Note No. 19 : Provisions | | | |
| (i) Non-current | | | |
| Provision for employee benefits | 1,766.42 | 1,581.58 | |
| (ii) Current | | | |
| Provision for employee benefits | 243.02 | 233.89 | |
| Total | 2,009.44 | 1,815.47 | |
| Particulars | As At 01.04.2022 | During the Year | As At 31.03.2023 |
| Note No. 20 : Deferred Tax Liabilities(net) | | | |
| DEFERRED TAX LIABILITY | | | |
| Difference between book & tax depreciation | 7565.41 | 552.98 | 8118.39 |
| Deferred tax liability on land revaluation reserve | 1080.00 | (50.00) | 1030.00 |
| Total (A) | 8645.41 | 502.98 | 9148.39 |
| DEFERRED TAX ASSETS | | | |
| Deferred tax assets on comprehensive income | 20.04 | (7.36) | 12.68 |
| Expenses allowed u/s 43-B on paid basis | 455.59 | 68.56 | 524.15 |
| Unabsorbed capital losses | 350.80 | - | 350.80 |
| | 826.43 | 61.20 | 887.63 |
| Deferred tax liabilities (Net) | 7818.98 | 441.78 | 8260.76 |
| Previous Year | 3578.29 | 4,240.69 | 7,818.98 |

Note No. 21 : Trade Payables

Trade Payable Ageing schedule outstanding as on 31.03.2023

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|--------------|---------------|-------------------|------------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (I) MSME | 529.86 | - | - | - | 529.86 |
| (II) Others | 26,111.48 | 56.53 | 276.31 | 1,309.97 | 27,754.29 |
| (III) Disputed dues - MSME | - | - | - | - | - |
| (IV) Disputed dues - Others | - | - | - | 16.63 | 16.63 |
| Total | 26,641.34 | 56.53 | 276.31 | 1,326.60 | 28,300.78 |

Trade Payable Ageing schedule outstanding as on 31.03.2022

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|---------------|---------------|-------------------|------------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| (I) MSME | 399.68 | 1.73 | 0.88 | - | 402.29 |
| (II) Others | 27,645.21 | 179.25 | 451.45 | 876.49 | 29,152.40 |
| (III) Disputed dues - MSME | - | - | - | - | - |
| (IV) Disputed dues - Others | - | - | - | 16.63 | 16.63 |
| Total | 28,044.89 | 180.98 | 452.33 | 893.12 | 29,571.32 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|---|---------------------------------------|---------------------------------------|
| Note No. 22 : Other Current liabilities | | |
| Statutory liabilities | 391.99 | 848.32 |
| Advance from customers | 1,241.27 | 926.98 |
| Other liabilities | 367.84 | 393.51 |
| Total | 2,001.10 | 2,168.81 |
| Note No. 23 : Contingent liabilities | | |
| (i) Claims against the Company not acknowledged as debts : | | |
| a) Excise duty/service tax/GST | 53.65 | 115.66 |
| b) Sales Tax/VAT | - | 7.45 |
| c) Income Tax | 28.87 | 28.87 |
| d) Cane Purchase Tax | 207.45 | 207.45 |
| e) Administration Charges on Molasses | 8.12 | 8.12 |
| f) In respect of pending court cases by/against ex-employees amount not ascertainable at this stage | - | - |
| g) In respect of pending court cases filed u/s 122B U.P.Z.A Act by Gaon Sabha at Khaikheri unit of the Company, amount presently not ascertainable | - | - |
| <u>Note:-</u> The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore can not be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimates can not be made. Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes. | | |
| (ii) Guarantees excluding financial liabilities | | |
| i) Bank guarantees issued | 1,390.62 | 845.34 |
| (iii) Other money for which the Company is contingently liable | | |
| i) Letter of credit in favour of suppliers | - | 182.28 |
| Total | 1,688.71 | 1,395.17 |
| Note No. 24 : Capital Commitments | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) | 6,815.47 | 241.24 |
| Total | 6,815.47 | 241.24 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31 st March, 2023 | Year Ended 31 st March, 2022 |
|---|--|--|
| Note No. 25 : Revenue from Operations | | |
| (a) Sale of products | 205,070.43 | 200,831.30 |
| (b) Other operating revenues | 816.50 | 2,603.29 |
| Gross Sales | 205,886.93 | 203,434.59 |
| Particulars of Sale of Products | | |
| Sugar | 165,520.13 | 163,290.23 |
| Molasses | 621.78 | 1,719.26 |
| Power | 6,039.86 | 5,710.61 |
| Distillery | 32,109.90 | 29,759.14 |
| Others | 778.76 | 352.06 |
| Total | 205,070.43 | 200,831.30 |
| Particulars of Other operating revenues | | |
| Subsidy under Maximum Admissible Export Quota | - | 829.11 |
| Sale of Pesticides, Cane Seed etc. | 421.07 | 915.48 |
| Others | 395.43 | 858.70 |
| | 816.50 | 2,603.29 |
| Note No. 26 : Other Income | | |
| (a) Interest on fixed deposits | 19.28 | 24.92 |
| (b) Interest income based on effective interest rate | 662.20 | 755.71 |
| (c) Income on Fair Value of investment adjustment | - | 48.79 |
| (d) Provision for doubtful debts reversed | - | 9.97 |
| (e) Profit on sale of assets | 20.48 | 457.30 |
| (f) Miscellaneous income | 178.75 | 270.17 |
| Total | 880.71 | 1,566.86 |
| Note No. 27 : Cost of Raw Materials Consumed | | |
| Opening Stocks | 844.10 | 132.69 |
| Purchases | 158,032.59 | 136,125.86 |
| | 158,876.69 | 136,258.55 |
| Less : Closing Stocks | 206.28 | 844.10 |
| Add: Trial Run Period Cost (Refer Note No.34 n) | - | 12.60 |
| Material Consumed | 158,670.41 | 135,427.05 |
| Note No. 28 : Changes in Inventories of Finished Goods, By-Products, Work-In-Progress and Stock in Trade | | |
| Opening Stocks | | |
| Finished goods | 69,832.66 | 82,316.42 |
| Goods in Transit | 827.91 | 507.31 |
| Work-in-progress | 1,486.68 | 1,385.20 |
| By-products | 5,317.12 | 6,793.67 |
| Stock in Trade | 1.07 | 16.21 |
| Total | 77,465.44 | 91,018.81 |
| Closing Stocks | | |
| Finished goods | 68,270.44 | 69,832.66 |
| Goods in Transit | 408.25 | 827.91 |
| Work-in-progress | 1,517.03 | 1,486.68 |
| By-products | 12,562.36 | 5,317.12 |
| Stock in Trade | 1.79 | 1.07 |
| Total | 82,759.87 | 77,465.44 |
| Decrease/(increase) in Stocks | (5,294.43) | 13,553.37 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31 st March, 2023 | Year Ended 31 st March, 2022 |
|--|--|--|
| Note No. 29 : Employee Benefits Expenses | | |
| Salaries and wages | 9,402.04 | 8,149.46 |
| Contribution to provident and other funds | 246.24 | 254.20 |
| Staff welfare expenses | 307.41 | 236.57 |
| Total | 9,955.69 | 8,640.23 |
| Note No. 30 : Finance Costs | | |
| Interest expenses based on effective interest rate | 1,024.67 | 1,422.88 |
| Interest expenses | 3,904.39 | 5,751.08 |
| Other borrowing cost | 310.76 | 318.49 |
| Total | 5,239.82 | 7,492.45 |
| Note No. 31 : Other Expenses | | |
| (A) Manufacturing Expenses | | |
| Packing materials consumed | 3,427.27 | 3,046.85 |
| Consumption of stores, spares | 1,999.95 | 1,739.98 |
| Power and fuel | 759.27 | 1,084.84 |
| Other manufacturing expenses | 897.26 | 978.46 |
| Repairs to : | | |
| Plant and Machinery | 3,862.39 | 3,719.14 |
| Buildings | 143.06 | 119.04 |
| Others | 110.36 | 127.30 |
| Total (A) | 11,199.56 | 10,815.61 |
| (B) Administrative and Other Expenses | | |
| Rent | 61.46 | 233.27 |
| Rates and taxes | 438.25 | 305.94 |
| Printing and stationery | 47.35 | 45.90 |
| Postage, courier and telephones | 46.17 | 46.40 |
| Travelling and Conveyance | 270.57 | 231.48 |
| Fees and subscription | 152.63 | 160.29 |
| Legal and professional charges | 346.81 | 360.03 |
| Auditors' remuneration | 24.60 | 13.85 |
| Vehicle running and maintenance | 324.57 | 283.27 |
| Insurance | 228.84 | 247.71 |
| Cane development expenses | 790.77 | 1,035.48 |
| Contribution to Political Party | - | 150.00 |
| Charity & donation | 1.87 | 2.28 |
| Loss on sale/damage of fixed assets | - | 121.98 |
| Corporate social responsibility expenses (refer note no. 34 u) | 230.91 | 235.13 |
| Environment Expenses | 8.77 | 24.03 |
| Office & Other administration expenses | 63.91 | 88.87 |
| Total (B) | 3,037.48 | 3,585.91 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31 st March, 2023 | Year Ended 31 st March, 2022 |
|--|--|--|
| (C) Selling & Distribution Expenses | | |
| Business promotion | - | 2.78 |
| Sugar handling expenses | 304.88 | 339.76 |
| Commission on sales | 522.53 | 804.36 |
| Freight outward | 2,759.91 | 3,026.24 |
| Other selling expenses | 217.68 | 201.58 |
| Compensation paid | 23.37 | 36.99 |
| Total (C) | 3,828.37 | 4,411.71 |
| Total (A+B+C) | 18,065.41 | 18,813.23 |
| Note No. 32 : Tax expense | | |
| Current tax | 3,700.00 | - |
| Deferred tax | 434.42 | 4,222.09 |
| Total | 4,134.42 | 4,222.09 |
| Reconciliation of tax expenses | | |
| Profit before tax | 16,496.56 | 17,714.11 |
| Applicable tax rate @ 25.168% | 4,151.85 | 4,458.29 |
| Computed tax expenses | 4,151.85 | 4,458.29 |
| Adjustments for : | | |
| Effect of tax expenses not allowed for tax purpose | 51.85 | 97.50 |
| Effect of tax on loss/profit on sale of fixed assets | (5.16) | (84.39) |
| Effect on assessable income difference of earlier year | (40.38) | (24.47) |
| Effect of tax on Renewable energy certificate | (8.90) | (51.42) |
| Effect of deferred tax assets on losses | (63.43) | (145.88) |
| Effect of deferred tax on comprehensive income and term loan expenses | 7.36 | 18.60 |
| Effect of deferred tax liabilities on land revaluation reserve due to indexation | (50.00) | (170.00) |
| Effect of tax on Ind AS adjustments | 91.24 | 123.86 |
| Net adjustments | (17.43) | (236.20) |
| Tax expenses | 4,134.42 | 4,222.09 |
| Note No. 33 : Other comprehensive income/loss | | |
| Items that will not be reclassified to profit or loss | | |
| Re-measurements of defined benefit plans | 29.23 | 73.85 |
| Less: Income tax relating to items that will not be reclassified to profit or loss | (7.36) | (18.60) |
| Total | 21.87 | 55.25 |

Notes on Financial Statements for the Year ended 31st March, 2023

Note No. 34 :

- a. Based upon the information received from vendors regarding their status under the "Micro, Small and Medium Enterprises Development Act, 2006", (MSMED Act) the relevant Information is provided below:

(₹ in Lakhs)

| Particulars | Current Year | Previous Year |
|---|---------------|---------------|
| (a) Principal amount and interest due thereon remaining unpaid to any supplier at the end of accounting year | | |
| i) Principal amount | 529.86 | 402.29 |
| ii) Interest due on above | - | 3.64 |
| (b) the amount of interest paid by the company under MSMED Act along with the amounts of payment made to the supplier beyond the appointed day during the accounting year | - | - |
| (c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act. | 3.64 | 5.93 |
| d) the amount of interest accrued and remaining unpaid at the end of accounting year | 27.63 | 27.63 |
| e) the amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of this Act. | 27.63 | 27.63 |

- b. All the Current assets, loans and advances, in the opinion of the Board, have a value on realization which in the ordinary course of business shall at least be equal to the amount at which it is stated in the balance sheet.
- c. The Company has made an investment of the requisite amount for setting up new projects in the State of Uttar Pradesh in accordance with the UP Sugar Industry Promotion Policy, 2004 and has accordingly filed application for eligibility under the above policy. However, the State Government has later on terminated the Policy with effect from June 4, 2007. The Company had filed writ petition before Hon'ble Allahabad high court (Lucknow Bench) for enforcement of the scheme and settlement of incentive claims.

The writ petitions were allowed vide common Judgment dated 12.02.2019 of Hon'ble Allahabad High court (Lucknow Bench) that the petitioners are entitled for consideration of all the benefits in the form of exemptions/ remission/ reimbursements as per the Sugar Industry Promotion Policy – 2004 and various notifications issued thereunder from time to time for the entire period of the validity of the Policy. As per Hon'ble court, Since the matter has become quite old it will be appropriate that the cases may be examined and benefits may be given within a maximum period of two months from the date of order.

However, the State Government has challenged the order of the Hon'ble Allahabad High court (Lucknow Bench) in Supreme Court where their petition has been admitted, and now the matter is pending with Supreme Court.

However, The Company have submitted the claim on 4th September 2020 with Cane Commissioner of Uttar Pradesh (Appropriate Authority) for an amount of ₹3847 lakhs as Capital Subsidy and for remission / exemption / reimbursement of taxes, duties and other charges aggregating of ₹5489 lakhs. The claim will be accounted for when it will be approved by the appropriate authority.

- d. During the year ended March 31, 2023 an amount to ₹ NIL lakhs (previous year ₹ 829.11 Lakhs) has been recognized as financial assistance in Revenue from operations pertaining to export made under Maximum Admissible Export Quota (MAEQ) allotted to the company as per the notification no.1(6)/2020-SP-1 dated 29.12.2020 issued by Ministry of Consumer affairs and Food & Public Distribution for improving of liquidity position of sugar mills.
- e. The Pradeshiya Industrial & Investment Corporation of Uttar Pradesh Limited (PICUP) had issued letter of comfort on 12.01.2020 for grant facilities / relief under Industrial Investment and Employment Promotion policy-2017

Notes on Financial Statements for the Year ended 31st March, 2023

(IIEPP-2017) in respect which Company has accounted for and submitted claim of ₹ 108.75 lakhs on 19.02.2021 with PICUP which includes interest subsidy of ₹92.69 lakhs and ₹16.06 lakhs for GST/VAT refund. The matter is under process with PICUP for final disposal.

- f. Company has installed a 50 KLPD Ethanol distillery plant at its unit at Libberheri, Tehsil Roorkee, Uttarakhand in F.Y. 2021 - 22 and applied for capital subsidy of ₹500 lakhs under the scheme of Ministry of Commerce and Industry Industrial Development scheme for Himachal Pradesh & Uttarakhand, 2017, the same will be accounted for after getting approval and letter of comfort. The matter is pending with DIPP, Government of India.
- g. The code on Social security,2020 (code) relating to employee benefits during employment and post-employment benefits received Presidential assents in September 2020. The code has been published in the Gazette of India. The code would impact the contributions by the Company towards provident fund and Gratuity. However, the date on which code will come into effect has not been notified. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which, the code becomes effective and the related rules to determine the financial impact are published.
- h. Regulatory fee @ ₹20 per quintal of molasses sales / inter-unit transfers imposed by the State Government of Uttar Pradesh w.e.f. 24th December, 2021 has been accounted for. However, the company has contested the same and the matter is pending with Hon'ble Allahabad High Court.
- i. Uttar Pradesh Electricity Regulatory Commission vide notification dated 25th July, 2019 reduced the power purchase rates of bagasse-based power plants w.e.f. 1st April, 2019 and revenue in this respect has accordingly been recognized at such reduced rates. The Uttar Pradesh Cogen Association has filed a writ petition, challenging the reduction in power rates before Hon'ble High Court at Allahabad which has been admitted.
- j. a. The Board of Directors has proposed a dividend on 6.50% Redeemable Preference shares and on 10% Redeemable Preference shares and ₹2.50/-per equity share of ₹ 10/- each, for the year ended 31st March, 2023, which are subject to approval of Shareholders at the ensuing Annual General Meeting of the Company.
- b. During the year the Board of Directors has distributed a dividend for the year ended 31.03.2022 on 6.50% Redeemable Preference shares and on 10% Redeemable Preference shares aggregating of ₹ 174.27 Lakhs and ₹ 2/- per equity share of ₹ 10/- each of ₹ 762.76 Lakhs, after approval of Shareholders at the Annual General Meeting of the Company. Total cash outflow is ₹ 932.18 Lakhs. ₹ 4.85 Lakhs is unpaid dividend as on date of Balance Sheet. (Refer Note No. 10 & 17)

k. Lease

- a. The Company's lease assets primarily consist of building for offices having the various lease terms. The Company also has certain leases of with lease terms of 12 months or less. Such lease applies the 'short term lease' recognition exemptions for those leases.

- b. Following is carrying value of right of use assets and the movement thereof :- (₹ in Lakhs)

| Particulars | Current year | Previous year |
|---|--------------|---------------|
| Opening Balance | 31.10 | 65.18 |
| Additions during the year | - | - |
| Deletion during the year | - | - |
| Depreciation of Right-of-use assets (Refer note no.4) | 20.74 | 34.08 |
| Closing Balance (Refer note no.4) | 10.36 | 31.10 |

- c. Following is carrying value of liabilities and movement thereof:-

| Particulars | Current year | Previous year |
|---|--------------|---------------|
| Opening Balance | 37.86 | 60.33 |
| Additions during the year | - | - |
| Finance Cost accrued during the year | 3.09 | 3.93 |
| Deletion during the year | - | - |
| Payment of lease liabilities including interest | 27.60 | 26.40 |
| Closing Balance | 13.35 | 37.86 |
| Current Maturities of Lease liabilities | 13.35 | 24.51 |
| Non-Current Maturities of Lease liabilities | - | 13.35 |

Notes on Financial Statements for the Year ended 31st March, 2023

d. Impact on Statement of Profit and Loss for the year ended March 31, 2023 (₹ in Lakhs)

| Particulars | Current year | Previous year |
|---|--------------|---------------|
| - Decrease in rent expenses (included in other expenses) | 27.60 | 26.40 |
| - Increase in finance cost | 3.09 | 3.93 |
| - Increase in depreciation and amortization expenses | 20.74 | 34.08 |
| Net increase / (Decrease) in Profit before tax | 3.77 | (11.61) |

- l. In terms of Ind AS 36 on impairment of assets, there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognized during the year under review.
- m. During the financial year borrowing cost of ₹ 1.31 lakhs (Previous Year ₹ 71.08 Lakhs) has been debited to capital work in progress.
- n. During the preceding Financial Year, Company has successfully set up 50 KLPD Ethanol Capacity Distillery having 20TPH incineration boiler along with 3 MW Turbine and Multi effect evaporator (MEE) at Libberheri Unit Roorkee, Uttarakhand. Trial run of this project has been started on 02.07.2021, all Expenses incurred before and up to the Trial Run period have been allotted and amortized to capital work in progress and capitalized. Details of Trial run expenses is as under: - (₹ in Lakhs)

| Particulars | Current year | Previous year |
|---|--------------|---------------|
| Cost of material consumed | - | 278.65 |
| Salary & Wages | - | 111.92 |
| Stores, spares Consumed | - | 19.32 |
| Power & Fuel | - | 77.60 |
| Transportation charges on Sales | - | 23.99 |
| Depreciation | - | 70.88 |
| Other Expenses | - | 9.65 |
| Total Expenses | - | 592.01 |
| Less: | | |
| Sales during Trial Run Period | - | 316.25 |
| Stock out of Trial Run (Refer note no.27) | - | 12.60 |
| Amount Capitalized | - | 263.16 |

- o. **Detail of Pre-operative expenses as on 31.03.2023 appearing under Note no. 4 is as under:-** (₹ in Lakhs)

| Particulars | Current year |
|---|--------------|
| Opening balance | - |
| Legal & Professional Charges | 22.50 |
| Salary & Wages | 13.70 |
| Interest on Term Loan | 1.31 |
| Vehicle Running & Maintenance | 0.24 |
| Travelling & Conveyance | 0.45 |
| Printing & Stationery | 0.10 |
| Closing balance included under Capital work in progress (Note no. 4) | 38.30 |

- p. **Segment Information:**

The Managing director has been identified as the Company's Chief Operating Decision –Maker (CODM) as defined by IND AS-108 Operating Segments. The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

Notes on Financial Statements for the Year ended 31st March, 2023

The following is analysis of revenue and results from operation by reportable segment:- (₹ in Lakhs)

| S.No. | Particulars | Current year | Previous year |
|----------|---|------------------|------------------|
| 1 | Segment Revenue | | |
| | a) Sugar | 199849.09 | 193922.76 |
| | b) Cogeneration | 11610.56 | 11090.42 |
| | c) Distillery | 32153.31 | 29754.14 |
| | Total | 243612.97 | 234767.32 |
| | Less: Inter Segment Revenue | 37726.04 | 31332.73 |
| | Net Segment Revenue | 205886.93 | 203433.59 |
| 2 | Segment Results - Profit before Tax and Finance Cost and Exceptional Items | | |
| | a) Sugar | 16675.62 | 18947.01 |
| | b) Cogeneration | 2566.69 | 3321.89 |
| | c) Distillery | 5154.37 | 5374.54 |
| | Total | 24396.68 | 27644.44 |
| | Add/Less: i) Finance Cost | 5239.81 | 7492.45 |
| | ii) Other Un-allocable Expenses net off | 2661.11 | 2437.88 |
| | Profit before Tax | 16495.76 | 17714.11 |
| 3 | Segment Assets | | |
| | a) Sugar | 119642.16 | 116827.71 |
| | b) Cogeneration | 7848.41 | 8254.35 |
| | c) Distillery | 33852.92 | 30928.30 |
| | d) Unallocable | 879.17 | 983.04 |
| | Total Assets | 162221.66 | 156993.40 |
| 4 | Segment Liabilities | | |
| | a) Sugar | 31712.45 | 33223.95 |
| | b) Cogeneration | 2.05 | 1.60 |
| | c) Distillery | 957.48 | 772.68 |
| | d) Unallocable | 1144.38 | 950.32 |
| | Total Liabilities | 34815.36 | 34948.55 |
| 5 | Capital Expenditure | | |
| | a) Sugar | 3228.48 | 1195.62 |
| | b) Cogeneration | 51.61 | 102.75 |
| | c) Distillery | 1734.79 | 2119.09 |
| | d) Unallocable | 55.52 | 118.32 |
| | Total Capital Expenditure | 5070.40 | 3535.78 |
| 6 | Depreciation and amortization | | |
| | a) Sugar | 2124.69 | 2045.75 |
| | b) Cogeneration | 345.63 | 327.16 |
| | c) Distillery | 1079.34 | 879.59 |
| | d) Unallocable | 76.63 | 68.49 |
| | Total Depreciation and Amortization | 3626.29 | 3320.99 |

Notes on Financial Statements for the Year ended 31st March, 2023

Inter-segment revenues are eliminated upon consolidation and reflected in the Inter segment head. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at corporate level.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at corporate level.

Transactions between segments are primarily transferred at estimated market prices. Common costs are apportioned on a reasonable basis.

Geographical Location:- The geographical segments have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and overseas segment includes sales to customer located outside India and through merchant exporters. (₹ In lakhs)

| Particulars | Current year | Previous Year |
|--|------------------|---------------|
| Revenue from operation | 205886.93 | 203434.59 |
| Domestic | 172818.93 | 191435.28 |
| Overseas (including merchant export ₹ 29823.02 (P.Y. ₹ 8646.51)) | 33068.00 | 11999.31 |

Note: There are no non-current assets located outside India

Information about major customers: No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2023 and 31st March, 2022.

q. The details of performance obligation in terms of Ind AS 115 - Revenue from contracts with customers are as follows:

Sugar:- The Sugar segment of the Company principally generates revenue from manufacturing and sale of sugar and its by-products and power. Domestic sales of sugar is made on ex-factory/delivery basis in terms agreed to wholesaler /institutional buyers/merchant exporters within the country. Domestic sugar sales are 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 recognized when the goods have been shipped to / delivered to the buyers' specific location. The sale price and payment terms is fixed as per contracted terms.

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").

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

The distillery 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 and other products to institutional buyers.

For sale of Ethanol, sale price is pre-determined based on Expression of Interest /Tender floated from Oil Marketing Companies. The prices are on delivered cost basis at Oil Marketing Companies locations inclusive of all duties/levies/taxes/charges etc. Payment terms is within 21 days after delivery of material and submission of original invoices.

Rectified Spirit, Extra Neutral Alcohol (ENA), etc. are sold on bulk basis to institutional buyers on ex-factory basis as per agreed terms. Revenue is recognized when goods have been shipped to the buyers' specific location as per agreed terms. The payment terms are fixed as per Company's policy which are generally on advance payment basis.

Other products like Carbon di oxide (Co2) and potash being sold to the Institutional buyers. (₹ In lakhs)

| Particulars | Current year | Previous Year |
|---|------------------|---------------|
| Timing of revenue recognition | | |
| Products transferred at a point in time | 205886.93 | 203434.59 |
| Products transferred over time | - | - |

Notes on Financial Statements for the Year ended 31st March, 2023r. **Employee Benefits**

As per Indian Accounting Standard-19 "Employees Benefits" the disclosures of employee's benefits are as follows:

Defined Contribution Plan:

Employee benefits in the form of provident fund are considered as defined contribution plan. The contribution to the respective fund are made in accordance with the relevant statute and are recognized as expense when employees have rendered service entitling them to the contribution, the contribution to defined contribution plan, recognized as expense in the Statement of Profit and Loss are as under: (₹ In lakhs)

| Particulars | Current year | Previous Year |
|---|---------------|---------------|
| Employer's contribution to provident fund | 76.77 | 74.69 |
| Employer's contribution to pension fund | 150.79 | 161.27 |
| Other administrative expenses | 18.68 | 18.24 |
| Total | 246.24 | 254.20 |

The Company has made provision for gratuity and leave encashment in the nature of defined benefit obligation on the basis of actuarial valuation as per Ind AS 19. Since the liability has not been funded through a trust or insurer, there are no plan assets.

Defined benefits obligations:**Gratuity**

The gratuity plan is governed by the payment of Gratuity Act 1972, under the said Act an employee who has completed five years of service is entitled to specific benefit. The gratuity plan provides a lump sum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age. Liability for gratuity is determined on actuarial basis using projected unit credit method.

Leave Encashment

The employees of the Company are entitled to compensated absences that are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using the projected unit credit method for the unused entitlement accumulated at the balance sheet date.

Detail of unfunded post-retirement Defined Benefit obligations are as follows:

Employee benefits in respect of gratuity and leave encashment are based on actuarial valuation as on 31st March 2023. The details are given below: (₹ In lakhs)

| Particulars | Current year (Previous year) | Current year (Previous year) |
|--|---------------------------------|----------------------------------|
| A) Change in the Present Value of obligation | Gratuity Unfunded | Leave Encashment Unfunded |
| a) Present Value of obligation as at 1 st April | 1483.46 (1348.03) | 332.01 (323.60) |
| (b) Interest Cost | 106.51 (91.67) | 23.84 (22.01) |
| (c) Current Service Cost | 136.94 (127.55) | 48.90 (42.04) |
| (d) Benefits Paid | (71.30) (-44.31) | (21.68) (-21.27) |
| (e) Actuarial Loss/(Gain) | (40.69) (-39.47) | 11.46 (-34.38) |
| (f) Present Value of Obligation as at 31 st March | 1614.91 (1483.47) | 394.53 (332.00) |
| Current Liability | 158.47 (171.75) | 84.55 (62.14) |
| Non - Current Liability | 1456.44 (1311.72) | 309.98 (269.86) |

Notes on Financial Statements for the Year ended 31st March, 2023

| | | |
|---|----------------------|--------------------------|
| (B) Amount recognized in Balance Sheet (A-B) | 1614.91 (1483.46) | 394.53 (332.00) |
| (C) Expenses recognized in the Profit & Loss Account | | |
| (a) Current Service Cost | 136.94 (127.55) | 48.90 (42.04) |
| (b) Interest Cost | 106.51 (91.67) | 23.84 (22.01) |
| (D) Expenses recognized in Other Comprehensive Income | | |
| (a) Actuarial Loss/(Gain) | (40.69) (-39.47) | 11.46 (-34.38) |
| (b) Net Cost | 202.75 (179.75) | 84.20 (29.67) |
| Actuarial Assumptions | | |
| (a) Discount Rate | | 7.34% |
| (b) Rate of escalation in Salary (Per Annum) | | 5.50% |
| (c) Mortality Table | | 100% of IALM (2012 - 14) |
| (d) Retirement Age (Years) | | 58 |

s. Related Party Disclosures for the Period of 01.04.2022 To 31.03.2023

The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

(i) **Parties where control exists:** **NIL**

(ii) **Other related parties where transaction have taken place**

a) Key Management Personnel (KMP):

| | |
|----------------------------|--|
| Sh. Raj Kumar Adlakha | : Managing Director (MD) |
| Sh. Shankar Lal Sharma | : Executive Director |
| Sh. G. Ramarathnam | : Chief-Legal & Corporate Affairs & Co. Secretary (up to 10.01.2023) |
| Sh. Sanjay Bhandari | : Chief Financial Officer |
| Sh. Rajesh Garg | : Joint Co. Secretary & Compliance Officer till 10.02.2023 Company Secretary & Compliance Officer (w.e.f. 11.02.2023) |
| Sh. Gurbachan Singh Matta | : Non-Executive Director |
| Sh. Narendra Kumar Sawhney | : Independent Director |
| Sh. Jasbir Singh | : Independent Director |
| Smt. Rutuja Rajendra More | : Independent Director |
| Sh. Ravi Kumar | : Independent Director |

b) Close Member of Key Management Personnel and their Relationship:

| |
|------------------------------------|
| Smt. Amita Adlakha (Wife of MD) |
| Sh. Balram Adlakha (Son of MD) |
| Sh. Jai Adlakha (Son of MD) |
| Sh. Rajan Adlakha (Brother of MD) |
| Sh. Ranjan Adlakha (Brother of MD) |
| Smt. Ranjana Chopra (Sister of MD) |
| Smt. Rajni Babbar (Sister of MD) |

Notes on Financial Statements for the Year ended 31st March, 2021

c) Enterprises where Significant Influence exists:

- Uttam Industrial Engineering Private Limited
- Lipi Boilers Pvt. Ltd.
- The Standard Type Foundry Pvt.Ltd.
- Uttam Sucrotech Limited
- Shubham Sugars Limited
- Uttam Adlakha & Sons Holdings Pvt. Ltd.
- Uttamenergy Ltd.
- Uttam Sucrotech International (P) Limited
- Uttam Properties Pvt. Ltd.
- Sekhri Finance & Investment (P) Ltd.
- Uttam Foods & Spices Pvt. Ltd.
- Adharshila Capital Services Limited
- Uttam Beverages Pvt. Ltd.
- New Castle Finance and Leasing Pvt. Ltd.
- Pariksha Fin-Invest-Lease Ltd.
- Uttam Housinginfra Ltd.
- Uttam Distilleries Ltd.
- Uttam Sunna Charitable Trust
- R. K. & Sons (HUF)

d) Details of Transactions with the above related parties in the ordinary course of business: -

(₹ in Lakhs)

| Name of related parties | Nature of Transactions | Year ended 31.03.2023 | Year ended 31.03.2022 | Outstanding Balances | As at 31.03.2023 | As at 31.03.2022 |
|---------------------------------------|---|-----------------------|-----------------------|------------------------|------------------|------------------|
| Key Management Personnel (KMP) | | | | | | |
| Raj Kumar Adlakha | Remuneration | 408.00 | 408.00 | Remuneration Payable | 28.67 | 19.24 |
| | Commission | 700.00 | 195.00 | Commission Payable | 278.65 | - |
| | Perquisites | 11.80 | 9.96 | | | |
| | Lease Rent | 24.00 | 66.00 | Lease Rent | 7.62 | 5.58 |
| | Dividend on Equity Shares | 32.49 | - | Security Deposit Given | 3.75 | 3.75 |
| Shankar Lal Sharma | Remuneration | 72.34 | 71.20 | Remuneration Payable | 7.37 | 6.46 |
| | Post-employment benefits (Contribution to Provident Fund) | 0.22 | 0.22 | | | |
| Gurbachan Singh Matta | Remuneration | 12.00 | 12.00 | Remuneration Payable | - | 0.90 |
| | Sitting Fees | 1.65 | 1.75 | | | |
| Narendra Kumar Sawhney | Remuneration | 12.00 | 12.00 | Remuneration Payable | - | 0.90 |
| | Sitting Fees | 1.65 | 1.75 | | | |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Name of related parties | Nature of Transactions | Year ended 31.03.2023 | Year ended 31.03.2022 | Outstanding Balances | As at 31.03.2023 | As at 31.03.2022 |
|---|---|-----------------------|-----------------------|------------------------|------------------|------------------|
| Jasbir Singh | Remuneration | 12.00 | 12.00 | Remuneration Payable | - | 0.90 |
| | Sitting Fees | 1.65 | 1.75 | | | |
| Rutuja Rajendra More | Remuneration | 12.00 | 12.00 | Remuneration Payable | - | 0.90 |
| | Sitting Fees | 1.25 | 1.25 | | | |
| Ravi Kumar | Remuneration | 3.96 | - | Remuneration Payable | - | - |
| | Sitting Fees | 0.75 | - | | | |
| G. Ramarathnam | Remuneration | 28.89 | 37.32 | Remuneration Payable | - | 2.44 |
| Sanjay Bhandari | Remuneration | 71.18 | 65.42 | Remuneration Payable | 2.72 | - |
| | | | | Advance Salary | | 3.69 |
| | Post-employment benefits (Contribution to Provident Fund) | 0.22 | 0.22 | | | |
| Rajesh Garg | Remuneration | 38.57 | 34.96 | Remuneration Payable | - | 2.33 |
| | Post-employment benefits (Contribution to Provident Fund) | 0.22 | 0.22 | | | |
| Relative of KMP | | | | | | |
| Amita Adlakha | Office Rent | 17.84 | 10.62 | Office Rent | 4.26 | 9.71 |
| | Professional fees | - | 6.70 | | | |
| | Dividend on Preference Shares | 0.50 | - | Security Deposit Given | 3.60 | 3.60 |
| Balram Adlakha | Dividend on Equity Shares | 0.06 | - | | | |
| Jai Adlakha | Dividend on Equity Shares | 0.08 | - | | | |
| Rajan Adlakha | Dividend on Equity Shares | 5.91 | - | | | |
| Ranjan Adlakha | Dividend on Equity Shares | 29.85 | - | | | |
| Ranjana Chopra | Dividend on Equity Shares | 7.47 | - | | | |
| Rajni Babbar | Dividend on Equity Shares | 2.80 | - | | | |
| Enterprises where Significant Influence exists | | | | | | |
| R. K. & Sons (HUF) | Dividend on Equity Shares | 0.08 | - | | | |
| Uttam Sucrotech Ltd. | Guarantee satisfied / received (Net) | (13077.51) | (8441.36) | Guarantee | - | 13077.51 |
| | Dividend on Equity Shares | 2.79 | - | | | |
| Uttam Sucrotech International (P) Ltd. | Receiving of Services Plant & Machinery | 12.63 | 5.79 | Creditors | 44.66 | 47.24 |
| | Purchase of Plant & Machinery | - | 323.32 | | | |
| | Sale of Sugar/ Sanitizer | 2.58 | 24.63 | | | |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Name of related parties | Nature of Transactions | Year ended 31.03.2023 | Year ended 31.03.2022 | Outstanding Balances | As at 31.03.2023 | As at 31.03.2022 |
|------------------------------------|--|-----------------------|-----------------------|----------------------------------|------------------|------------------|
| Uttam Industrial Engg. (P) Ltd. | Receiving of Services Plant & Machinery | 35.35 | 81.48 | Receivable against Sale | - | 0.03 |
| | Sale of Sugar/ Sanitizer | 2.62 | 3.86 | | | |
| | Dividend on Equity Shares | 55.00 | - | | | |
| | Dividend on Preference Shares | 73.95 | - | | | |
| | Purchase of Plant Machinery | 40.12 | - | Advance Given for Goods/Services | - | 40.00 |
| | Redemption of Preference Shares | - | 1550.00 | Unsecured Loan | 27.31 | 27.31 |
| | Interest on Unsecured Loan | 2.73 | 2.73 | Interest for Unsecured Loan | 24.53 | 22.07 |
| | Suppliers Advance | - | 40.00 | | | |
| | Guarantee satisfied / received (Net) | (13077.51) | (8441.36) | Guarantee | - | 13077.51 |
| The Standard Type Foundry (P) Ltd. | Receiving of Services Plant Machinery and Vehicles | 80.44 | 54.29 | Creditors | 12.78 | 49.76 |
| | Purchase of Plant & Machinery and Vehicles | 121.12 | 138.75 | | | |
| | Sale of Sugar/ Sanitizer | 4.91 | 6.24 | | | |
| Lipi Boilers Pvt. Ltd. | Guarantee satisfied /received (Net) | (13077.51) | (9205.85) | Guarantee | - | 13077.51 |
| | Dividend on Equity Shares | 70.30 | - | | | |
| | Capital Advance received back | - | 16.11 | | | |
| | Purchase of Plant Machinery | - | 33.50 | | | |
| | Dividend on Preference Shares | 57.49 | - | | | |
| | Redemption of Preference Shares | 415.00 | 375.00 | | | |
| Shubham Sugars Ltd. | Purchase of Agriculture Products | 36.06 | 39.65 | | | |
| | Dividend on Equity Shares | 1.40 | - | Receivable Against Sale | 11.02 | 20.19 |
| | Redemption of Preference Shares | - | 632.30 | | | |
| | Redemption of Preference Shares (Investment) | - | 300.00 | | | |
| | Sale of Bio Compost | - | 16.07 | | | |
| | Dividend on Preference Shares | 0.25 | - | | | |
| Uttam Properties Pvt. Ltd. | Dividend on Preference Shares | 0.20 | - | | | |
| | Redemption of Preference Shares | - | 600.00 | | | |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Name of related parties | Nature of Transactions | Year ended 31.03.2023 | Year ended 31.03.2022 | Outstanding Balances | As at 31.03.2023 | As at 31.03.2022 |
|---|---|-----------------------|-----------------------|---------------------------------------|------------------|------------------|
| New Castle Finance and Leasing Pvt. Ltd | Redemption of Preference Shares | 187.40 | - | | | |
| | Dividend on Equity Shares | 7.61 | - | | | |
| | Dividend on Preference Shares | 9.90 | - | | | |
| Sekhri Finance & Investment (P) Ltd. | Dividend on Preference Shares | 12.45 | - | | | |
| | Redemption of Preference Shares | - | 625.00 | | | |
| Uttam Adlakha & Sons Holdings Pvt. Ltd. | Guarantee satisfied / received (Net) | 8885.25 | 2.65 | Guarantee | 30406.77 | 21521.52 |
| | Dividend on Equity Shares | 326.03 | - | | | |
| | Redemption of Preference Shares | - | 25.00 | | | |
| | Dividend on Preference Shares | 0.05 | - | | | |
| Uttamenergy Ltd. | Sale of Plant & Machinery | - | 141.10 | Capital Advance for Plant & Machinery | 85.62 | - |
| | Purchase of Plant & Machinery | - | 8.21 | Receivable against of Assets | - | 2.05 |
| | Receiving of Services Plant & Machinery | 0.09 | 88.50 | | | |
| | Advance Given for Purchase of Plant & Machinery | 85.62 | - | | | |
| Uttam Housinginfra Ltd. | Guarantee satisfied / received (Net) | (13077.51) | (8441.36) | Guarantee | - | 13077.51 |
| Uttam Foods & Spices Pvt. Ltd. | Sale of Sugar/ Sanitizer | 8.56 | 7.26 | Receivable Against Sale | 24.22 | 23.24 |
| | Purchase of Spices | 8.48 | 4.55 | | | |
| | Sale of Plant & Machinery | - | 22.98 | | | |
| Adharshila Capital Services Limited | Redemption of Preference Shares | 25.00 | - | | | |
| | Dividend on Preference Shares | 4.13 | - | | | |
| | Professional Fees | - | 5.00 | | | |
| Pariksha Fin-Invest-Lease Ltd. | Redemption of Preference Shares | 9.00 | - | | | |
| | Dividend on Preference Shares | 8.12 | - | | | |
| Uttam Distilleries Ltd | Dividend on Preference Shares | 0.51 | - | | | |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| | | | | | | |
|------------------------------|---|---------------|--------|---------------------------------|---|--------|
| Uttam Sunna Charitable Trust | Sale of Sugar/ Sanitizer | 0.46 | 0.32 | | | |
| | Amount received/ receivable on their behalf | 150.00 | - | | | |
| | Amount returned to them | 150.00 | | | | |
| Uttam Beverages Pvt Ltd. | Sale of Land | - | 210.00 | | | |
| | Amount Received against sale of land | 190.00 | - | Receivable against sale of Land | - | 190.00 |

Note: Remuneration is excluding provision of gratuity and leave encashment, where the actuarial valuation is done on overall company basis.

t. Auditors' Remuneration:

(₹ in Lakhs)

| Particulars | Current year | Previous Year |
|----------------------------------|--------------|---------------|
| (a) As Statutory Auditors | 17.00 | 12.00 |
| (b) As Tax Auditor | 3.75 | - |
| (c) For taxation & other Matters | 3.85 | 1.85 |
| Total | 24.60 | 13.85 |

u. Expenditure on Corporate Social Responsibility (CSR) activities:

(₹ in Lakhs)

(i) Details of CSR Expenditure:

| Sl. No. | Particulars | Current Year | Previous Year |
|---------|--|---------------------|---------------------|
| i) | Amount required to be spent by the company during the year | 258.10 | 189.10 |
| ii) | Brought forward excess amount incurred in earlier year | 53.98 | 7.95 |
| iii) | Amount of expenditure incurred | 230.91 | 235.13 |
| iv) | Excess amount incurred in this year to be carried forward (i-ii-iii) | 26.79 | 53.98 |
| v) | Shortfall at the end of the year | - | - |
| vi) | Total of previous year shortfall | - | - |
| vii) | Reason for shortfall | - | - |
| viii) | Nature of CSR activities | As Given below (ii) | As Given below (ii) |
| ix) | Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | - | - |
| x) | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately | - | - |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

(ii) The various heads under which the CSR expenditure were incurred in detail as follows:

| Sl. No. | Relevant Clause of Schedule VII to the Act | Description of CSR activities | Current Year | Previous Year |
|--------------|--|---|---------------|---------------|
| (a) | Clause (i) | Eradicating hunger, poverty and malnutrition, promoting health care & providing safe drinking water | 37.25 | 80.67 |
| (b) | Clause (ii) | Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects | 10.66 | 1.15 |
| (c) | Clause (vii) | To promote rural sports | - | - |
| (d) | Clause (x) | Rural Development Projects | 183.00 | 153.31 |
| Total | | | 230.91 | 235.13 |

The excess of requirements spend on CSR activities will be set off against the requirements in succeeding financial year in accordance with the provisions to sub section (5) of section 135 of the Companies Act, 2013.

v. Earnings per share (EPS)

(₹ in Lakhs)

| Particulars | Current year | Previous Year |
|--|--------------|---------------|
| (a) Profit for the year attributable to the equity shareholders (₹ in lakhs) | 12362.14 | 13492.02 |
| (b) Weighted average number of equity shares outstanding | | |
| (i) <u>Basic:</u> | | |
| Weighted average number of equity shares at the end | 38138120 | 38138120 |
| (c) ii) <u>Diluted</u> | | |
| Weighted average number of shares as in b(i) | 38138120 | 38138120 |
| (d) Paid up value of share | ₹10/- | ₹10/- |
| (e) Basic Earnings per share(₹)(a/bi) | 32.41 | 35.38 |
| (f) Diluted Earnings per share (₹) (a/bii) | 32.41 | 35.38 |

w. Foreign Currency Inflow & outflow

i. Expenditure:

(₹ in Lakhs)

| Particulars | Current year | Previous Year |
|-------------------------|--------------|---------------|
| (a) Travelling Foreign | 2.41 | - |
| (b) Plant and Machinery | 187.75 | - |

ii. Earnings:

| Particulars | Current year | Previous Year |
|--------------|--------------|---------------|
| Export Sales | 0.15 | 9.81 |

Notes on Financial Statements for the Year ended 31st March, 2023

x. Government Grant

The Company is eligible to receive various financial assistance from government authorities. Accordingly, the Company has recognized these government grants in the following manner: (₹ in Lakhs)

| Sl. No. | Particular | Treatment in Accounts | Current Year | Previous Year |
|---------|---|------------------------------------|--------------|---------------|
| 1 | Interest subvention claim under expansion of Barkatpur Distillery by 75 KLPD | Reduced from finance cost | - | 22.17 |
| 2 | Interest subvention claim for installation of Incineration Boiler at Barkatpur Distillery | Reduced from finance cost | 90.41 | 134.81 |
| 3 | Interest subvention claim for installation of green field 50 KLPD distillery at Libberheri unit | Reduced from finance cost | 139.44 | 177.97 |
| 4 | Interest subvention claim under expansion of Barkatpur Distillery by 100 KLPD | Reduced from finance cost | 1.31 | - |
| 5 | Interest subvention claim under soft Loan | Reduced from finance cost | 62.44 | 99.95 |
| 6 | Interest capitalized under expansion of Barkatpur Distillery by 75 KLPD | Reduced from finance cost | - | 57.65 |
| 7 | Interest capitalized under installation of Incineration Boiler | Reduced from finance cost | - | 13.43 |
| 8 | Interest capitalized under expansion of Barkatpur Distillery by 100 KLPD | Reduced from finance cost | 1.31 | - |
| 9 | MAEQ Subsidy for Sugar Season 2020-21(refer note no 34(d)) | Included in Other operating Income | - | 829.11 |

Note No. 35 : Financial Risk Framework

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include Loans, trade and other receivables, cash and cash equivalents. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the company's financial risks activities are governed by appropriate policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk comprises three types of risk interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's borrowing obligations with floating interest rates.

(₹ in Lakhs)

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------|------------------|------------------|
| Variable rate Borrowings | 51979.70 | 20593.93 |
| Fixed rate Borrowings | 7359.64 | 43356.77 |

Sensitivity

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amount shown below. This analysis assumes all other variables held constant.

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Increase /decrease in Basic Points | | Impact on Profit before Tax (₹ in Lakhs) | | Impact on Equity (₹ in Lakhs) | |
|-------------------------|------------------------------------|------------|--|------------|-------------------------------|------------|
| | 31.03.2023 | 31.03.2022 | 31.03.2023 | 31.03.2022 | 31.03.2023 | 31.03.2022 |
| Increase in Basis Point | 50 | 50 | 259.90 | 102.97 | 259.90 | 102.97 |
| Decrease in Basis Point | 50 | 50 | (259.90) | (102.97) | (259.90) | (102.97) |

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates, the company's exposure to the risk of changes in foreign exchange rates relates primarily to the Direct exports made by the company which are made during the year however same is very negligible as compare to total turnover.

Sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on profit.

iii) Other risk**a) Regulatory risk**

Sugar industry is regulated both by central government as well as by the state government, Central and state governments policies and factors such as State Advised Price (SAP) and fair and Remunerative Price (FRP) of sugar cane affects the sugar industry and the company's operations and profitability. Distillery business is also dependent on the Government policy as the price of ethanol decided by the Government. Similarly sugar prices are also effected by the Government Policies like restriction on sale, import of sugar by way of allocation of monthly Quota, export of sugar and import duty / export duty determination of sugar and MSP of sugar.

The regulatory risks listed above are Government policy driven and are beyond the control of the company and can't be alleviated unless the industry is decontrolled. Various representation through the body of industry like ISMA, UPSMA and UPDA submitted to Government to come out solutions regarding above risks.

Power business is also dependent on the regulations prescribed by Central/State regulatory commissions. They fix power purchase rates and other guide lines for supply based on cost of bagasse and other inputs.

b) Commodity price risk

Sugar Prices in domestic and international markets depends primarily on the supply and demand situation. Fluctuation in demand and supply arise on account of the change in the availability and price of sugar variation in the production capacity of the competitor's availability of substitutes for the sugar products and international demand and supply position The company has mitigated this risk by adding more value added products by diversifying into co- generation and distillation, thereby utilizing the by- products. Similarly, in sugar product also the company's products are diversifying in specialty sugar segments like brown sugar, sachet, pharma sugar, icing sugar, liquid sugar etc.

B. Credit Risk

Credit risk is the risk that counter party will default on its obligations under a Contractual arrangement leading to a financial loss. The company's sugar sales are mostly on advance payment basis. Power and ethanol are sold to state government companies and petroleum companies; thereby the credit default risk is significantly mitigated. Company has also taken advances and security deposits from its customers / agents, which mitigate the credit risk to an extent Financial assets are written off when there is no reasonable expectation of recovery, however, the company continues to attempt to recover the receivables. Where recoveries are made, these are recognized in the statement of profit and loss.

Notes on Financial Statements for the Year ended 31st March, 2023

The ageing of trade receivable is given below:

(₹ in Lakhs)

| | Particulars | Up to 6 Months | More than 6 Months | More than one year |
|----|------------------------|----------------|--------------------|--------------------|
| a) | As at 31.03.2023 | 4730.12 | 14.59 | 22.48 |
| b) | Gross carrying Amount | | | |
| | Expected Credit Loss @ | | | |
| a) | As at 31.03.2022 | 5797.14 | 302.17 | 6.95 |
| b) | Gross carrying Amount | | | |
| | Expected Credit Loss @ | | | |

Following table summarizes the change in loss allowances measured using life time expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

| Particulars | ECL for Trade Receivables |
|-------------------------------------|---------------------------|
| 31.03.2023 | |
| Provision /Reversal during the year | - |
| 31.03.2022 | |
| Provision /Reversal during the year | - |

Balances with Banks – Other Financial Assets

Credit risk from balances with banks is managed in accordance with Company's policy. Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31st March, 2023 and 31st March, 2022 is the carrying amounts as stated under Note No. 10

C. Liquidity risk

i. Liquidity Risk Management

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Company's objective is to maintain optimum levels of liquidity to meet its cash and its collateral requirements. The company's Management is responsible for liquidity funding as well as settlement. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

ii. Maturities of financial liabilities

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Non derivative financial instruments

(₹ in Lakhs)

| Particulars | As at 31.03.2023 Carrying Amount | On Demand | Less than One year | More than one year and less than three years | More than three years | Total |
|-----------------------------|----------------------------------|-----------|--------------------|--|-----------------------|----------|
| Borrowings | 59339.35 | 52363.53 | 4464.21 | 2200.28 | 311.33 | 59339.35 |
| Trade payable | 28300.78 | - | 28300.78 | - | - | 28300.78 |
| Other financial Liabilities | 3685.52 | 477.37 | 1012.84 | 2195.31 | - | 3685.52 |
| Lease Liability | 13.35 | - | 13.35 | - | - | 13.35 |

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | AS at 31.03.2022 Carrying Amount | On Demand | Less than One year | More than one year and less than three years | More than three years | Total |
|-----------------------------|----------------------------------|-----------|--------------------|--|-----------------------|----------|
| Borrowings | 63978.01 | 47475.88 | 7813.21 | 8688.92 | - | 63978.01 |
| Trade payable | 29571.32 | - | 29571.32 | - | - | 29571.32 |
| Other financial Liabilities | 3766.63 | 451.10 | 918.32 | - | 2397.21 | 3766.63 |
| Lease Liability | 37.86 | - | 24.51 | 13.35 | - | 37.86 |

iii. Financial Arrangements

The Company has following undrawn borrowing facilities at the end of reporting period.

| Particulars | 31.3.2023 | 31.3.2022 |
|------------------------------|-----------|-----------|
| Undrawn Borrowing Facilities | 17493.16 | 18280.80 |

Note No. 36 : Capital Management

a) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholder of the Company. The Primary objective of capital management is to maximize shareholder value and also to maintain an optimum capital structure and to safeguard its ability to continue at a going concern.

The Company's Capital management objectives are to maintain equity including all reserve to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholder value.

The Company manages its capital structure and makes adjustments in the amount of dividends return on capital to shareholders issue new shares or sell assets to reduce debts.

The company monitors capital on the basis of following gearing ratio (₹ in Lakhs)

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Long Term Debts (Including Unsecured Loans) | 7632.50 | 17158.81 |
| Cash & Bank balances | 630.08 | 850.01 |
| Net Debts (i) | 7002.42 | 16308.80 |
| Total Equity (ii) | 57642.35 | 46277.23 |
| Net debts / Equity Ratio (i / ii) | 0.12 | 0.35 |

Debts excluding cash credits limits from bank.

b) Loan Covenants:

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowing that define capital structure requirements. The company has complied with these covenants and there have been no breaches in the financial covenants of any interest – bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2023 and 31st March, 2022.

Note No. 37:

Other disclosures

- a. The Company has utilized the borrowings from banks for the specific purpose for which they were taken from banks.

Notes on Financial Statements for the Year ended 31st March, 2023

- b. The Company has during the year sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks on the basis of pledge of sugar stocks, the quarterly returns or statement filed by the company they are in agreement to books of account except value of inventory of pledged sugar provided to bank which is valued in accordance with terms and condition of sanction letter at average Net realizable value whereas in the books of account same has been in considered at lower of Cost or Net realizable value in accordance with the Indian Accounting Standard.

The detail of difference in value is here under:-

(₹ in Lakhs)

| Particulars | Value of sugar as per Books at lower of cost or Net realizable value | Value of sugar as per Stock Statement at Realizable value | Difference |
|--|--|---|-------------------|
| 1 st Quarter ended 30.06.2022 | 57605.98 (75397.83) | 62872.78 (83762.12) | 5266.80 (8364.29) |
| 2 nd Quarter ended 30.09.2022 | 23909.02 (41942.45) | 25291.69 (47216.82) | 1382.67 (5274.37) |
| 3 rd Quarter ended 31.12.2022 | 31851.33 (38524.17) | 33924.68 (42302.72) | 2073.35 (3778.55) |
| 4 th Quarter ended 31.03.2023 | 67723.19 (69548.33) | 75253.87 (76866.71) | 7530.68 (7318.38) |

However, company borrowing is not more than value as per books.

- c. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender except in the following case:-

(₹ in Lakhs)

| Nature of Borrowings, including debt securities | Name of Lenders | Amount not paid on due date | Whether Principal or Interest | No. of delays or unpaid | Remarks, if any |
|---|------------------------------|--|-------------------------------|--|--|
| Financial Assistance to fund difference between SMP and SAP | Uttarakhand State Government | 656.68 | Principal | Continuously unpaid since January 2011 | An application for waiver off such loan/ financial assistance is pending with the Government of Uttarakhand. |
| | | 477.37 (Interest from 28.01.2005 to 31.03.2023) | Interest | Continuously unpaid since 31.03.2005 | |

- d. The Company has not been declared willful defaulter by bank or financial institution or any other lender.
- e. The company does not have any transactions or balances with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year and previous year.
- f. During the year, there are no instances of any registration, modification or satisfaction of charges which are pending for registration with Registrar of Companies beyond the statutory period.
- g. The Company have no layer of companies, Company is in compliance with the relevant provisions of the Companies Act, 2013 with respect to the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- h. The Company has not traded or invested in any crypto currency or virtual currency during the year and previous year.
- i. The Company have not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:-
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
 - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- j. The Company have not received any fund from any other person(s) or entity (ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the group shall: -

Notes on Financial Statements for the Year ended 31st March, 2023

(₹ in Lakhs)

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - Provide any guarantees, security or the like on behalf of the ultimate beneficiaries.
- k. The Company does not have any transaction not recorded on books of accounts that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the income Tax Act, 1961.
- i. Key Financial Ratios is as under:-

| Sl. No. | Particulars | Method of Calculations | 2022-23 | 2021-22 | % Change | Reason of Change |
|---------|--|---|---------|---------|----------|--|
| 1. | Current Ratio (In times) | Current Assets / Current Liabilities | 1.04 | 0.99 | 5.05% | NA |
| 2. | Debt Equity Ratio (In times) | (Long Term Debts + Current Maturity of Term Loans + Cash Credit Limit + Leased Liabilities + Preference Share Capital) / Shareholder's Equity | 1.07 | 1.44 | 25.69% | Due to lower debt and profit during the year |
| 3 | Debt Service Coverage Ratio (In times) | (Profit after Tax + Depreciation+ Interest on Term Loans + Non-cash Operating expenses and income) / (Term Loan Paid + Preference Share Capital + Interest on Term Loans) | 1.38 | 0.78 | 76.92% | Due to repayment of loans. |
| 4 | Return on Equity Ratio (%) | Net Profit after Taxes / (opening Shareholder's equity + closing Shareholder's equity) / 2 = Average Shareholder's Equity | 23.79% | 33.70% | -29.41% | Consequential to change in Net Profit |
| 5 | Inventory Turnover Ratio (In times) | Revenue from Operations / (Opening Inventory + Closing Inventory) / 2 = Average Inventory | 2.49 | 2.35 | 5.96% | NA |
| 6 | Trade Receivable Turnover Ratio (In times) | Revenue from Operations / (Opening Debtors + Closing Debtors) / 2 = Average Debtors | 37.87 | 37.21 | 1.77% | NA |
| 7 | Trade Payable Turnover Ratio (in times) | Purchases / (opening Creditors + Closing Creditors) / 2 = Average Trade Payable | 5.87 | 3.92 | 49.74% | On account of reduction in cane dues |
| 8 | Net Capital Turnover Ratio (In times) | Revenue from Operations / Working Capital (CA-CL) | 65.28 | -336.21 | -119.42% | Due to improvement of net working capital |
| 9 | Net Profit Ratio (%) | Net Profit / Total Income | 5.98% | 6.58% | -9.12% | NA |
| 10 | Return on Capital Employed (%) | Earnings before Interest and Taxes / Capital Employed | 16.93% | 20.65% | -18.01% | NA |
| 11 | Return on Investment (%) | Net Income (PAT) / Cost of investment (total assets) | 7.62% | 8.59% | -11.29% | NA |

Notes on Financial Statements for the Year ended 31st March, 2023

Note No. 38 :

Financial instruments-Accounting, Classification and fair Value measurements

A. Financial instruments by category

(₹ in Lakhs)

| Particulars | Refer Note No. | Total Fair Value | Cost | Deemed Cost | Carrying Value | | | Total |
|---|----------------|------------------|------|-------------|------------------|--------|-------|------------------|
| | | | | | Amortized Cost | FVTOCI | FVTPL | |
| As at 31st March 2023 | | | | | | | | |
| Financial assets | | | | | | | | |
| (i) Trade and other receivable | 8 | 4,767.19 | | | 4,767.19 | | | 4,767.19 |
| (ii) cash and cash equivalents | 9 | 630.08 | | | 630.08 | | | 630.08 |
| (iii) Bank balance other than cash and cash equivalents | 10 | 327.75 | | | 327.75 | | | 327.75 |
| (iv) Other financial assets | 5 | 965.37 | | | 965.37 | | | 965.37 |
| Total | | 6,690.39 | - | - | 6,690.39 | - | - | 6,690.39 |
| Financial liabilities | | | | | | | | |
| (i) Borrowings | 16 | 59,339.35 | | | 59,339.35 | | | 59,339.35 |
| (ii) Trade and others payable | 21 | 28,300.78 | | | 28,300.78 | | | 28,300.78 |
| (iii) Other financial liabilities incl. Lease Liabilities | 17 | 3,698.87 | | | 3,698.87 | | | 3,698.87 |
| Total | | 91,339.00 | - | - | 91,339.00 | - | - | 91,339.00 |
| As at 31st March 2022 | | | | | | | | |
| Financial assets | | | | | | | | |
| (i) Trade and other receivable | 8 | 6,106.26 | | | 6,106.26 | | | 6,106.26 |
| (ii) cash and cash equivalents | 9 | 850.01 | | | 850.01 | | | 850.01 |
| (iii) Bank balance other than cash and cash equivalents | 10 | 308.01 | | | 308.01 | | | 308.01 |
| (iv) Other financial assets | 5 | 757.48 | | | 757.48 | | | 757.48 |
| Total | | 8,021.76 | - | - | 8,021.76 | - | - | 8,021.76 |
| Financial liabilities | | | | | | | | |
| (i) Borrowings | 16 | 63,978.01 | | | 63,978.01 | | | 63,978.01 |
| (ii) Trade and others payable | 21 | 29,571.32 | | | 29,571.32 | | | 29,571.32 |
| (iii) Other financial liabilities incl. Lease Liabilities | 17 | 3,804.49 | | | 3,804.49 | | | 3,804.49 |
| Total | | 97,353.82 | - | - | 97,353.82 | - | - | 97,353.82 |

Note:- Fair Value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could not be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short term maturities of these instruments.

Notes on Financial Statements for the Year ended 31st March, 2023

Note No. 39 :

The previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary. The figures are rounded off to nearest rupee in lakhs up to two decimals.

AS PER OUR REPORT OF EVEN DATE

for and on behalf of Board of Directors

Firm Registration No. 00852C

For B.K. Kapur & Co.

Chartered Accountants

(RAJ KUMAR ADLAKHA)

Managing Director

(SHANKAR LAL SHARMA)

Executive Director

(M.S.KAPUR) FCA

Partner

Membership No. 074615

(SANJAY BHANDARI)

Chief Financial Officer

(RAJESH GARG)

Company Secretary &
Compliance Officer

Place : Noida

Date : May 15, 2023



Uttam Sugar Mills Limited



Corporate Office: A-2E, IIIrd Floor, CMA Tower, Sector-24, Noida-201 301 (U.P.)

Tel. : + 91-120-4525000

Web: www.uttamsugar.in

Registered Office:

Village Libberheri, Tehsil Roorkee, Distt. Haridwar, Uttrakhand, India.

Works:

Unit-I: Village Libberheri, Tehsil Roorkee, Distt. Haridwar, Uttrakhand, India.

Unit-II: Village Barkatpur, Tehsil Naziababad, Distt. Bijnore, Uttar Pradesh, India.

Unit-III: Village Khaikheri Tehsil & Distt.-Muzaffarnagar, Uttar Pradesh, India.

Unit-IV: Village Shermau Tehsil Nakur, Distt. Saharanpur, Uttar Pradesh, India

www.uttamsugar.in