



September 8, 2025

To,
BSE Limited
1st Floor, New Trading Ring,
Rotunda bldg., P.J. Towers,
Dalal Street, Mumbai- 400001
Scrip Code: 543267

National Stock Exchange of India
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai -400051
NSE Symbol: DAVANGERE

Subject: 54th Annual Report of the Company for Financial Year 2024-25

Dear Sir/Madam,

Pursuant to Regulations 30 and 34 of the Listing Regulations, we are enclosing herewith the Notice convening the 54th Annual General Meeting (AGM) and Annual Report of the Company for the Financial Year 2024-25, which is being sent through electronic mode to those members whose e-mail addresses are registered with the Company / Registrar & Share Transfer Agent ('RTA') / Depository Participant(s) ('DPs').

Further, in accordance with the Regulation 36(1)(b) of the Listing Regulations, a letter will be sent to the members whose e-mail addresses are not registered with the Company/RTA/DPs, providing a web-link from where the Notice of the AGM and Annual Report can be accessed on the website of the Company.

The 54th AGM will be held on Monday, September 30, 2025 at 11.00 a.m. (IST) scheduled to be held at THOGATAVEERA SAMUDHAYA BHAVANA, M.C.C. 'A' BLOCK, DAVANGERE – 577 004.

The aforesaid Annual Report along with Notice has been uploaded on website of the Company at <https://davangeresugar.com/>

You are requested to kindly take the same on records.

Thanking you,
For Davangere Sugar Company Limited

Uma Singh
Company Secretary and Compliance Officer
Membership No.: A67187

Encl.: As above



Empowering Farmers. Transforming lives.

DAVANGERE SUGAR COMPANY LIMITED

"Driven by Legacy, Powered by Innovation"

54th ANNUAL REPORT 2024-25

REGISTERED OFFICE:
Office No.73/1,
P.B. No. 312, Shamanur Road,
Davangere-577004,
Karnataka .

www.davangeresugar.com



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. S.S. Ganesh
Chairman & Managing Director

Mr. Abhijith G. Shamanur
Executive Director

Mr. Achal Kapoor
Independent Director

Ms. Vinita Dilip Modak
Independent Director

Ms. Hima Bindu Sagala
Independent Director

Mrs. Swati Shamanur
Non-Executive Director

Bankers of the Company

State Bank of India, Canara Bank, Indian Bank, DDCC Bank, SVC CO-OPERATIVE BANK LTD

Corporate Identification Number

L37100KA1970PLC001949

Chief Financial Officer

Mr. Parameshwarappa Onkarappa

Company Secretary and Compliance Officer

Ms. Uma Singh

Statutory Auditors

DGMS & Co, Chartered Accountants, Mumbai

Secretarial Auditors

M/s. Mehta & Mehta, Company Secretaries

Registered Office

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

Registrar and Share Transfer Agent

M/s. Integrated Registry Management Services Pvt. Ltd.



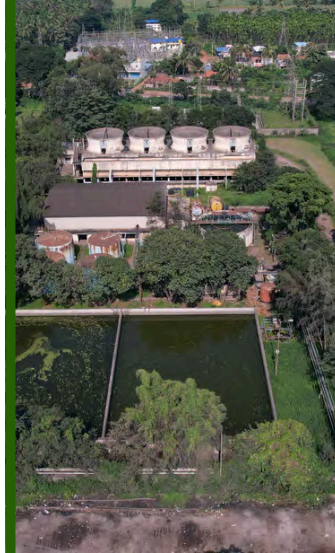
BRIEF INTRODUCTION

"Indian Sugar Companies Embracing Ethanol: A Shift Towards Sustainable Energy Solutions"

The Indian Ethanol Market will develop over the next five years because of government initiatives like the new ethanol blending programme (EBP), which requires oil manufacturing companies (OMCs) to mix 10 percent ethanol in gasoline by the end of 2022 and 20 percent by 2025. To achieve the target of 20% ethanol blending with petrol by 2025, about 1,016 crore litres of ethanol would be required and about 334 crore litres would be required for other uses, creating huge demand-supply gap.

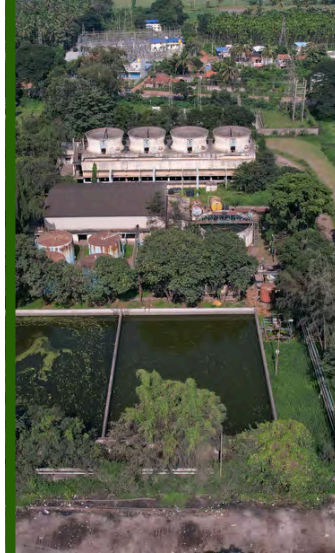
Davangere Sugar Company Limited ("DSCL") was incorporated in the year 1970 as Joint Sector Company by Karnataka Agro Industries Corporation Limited, Karnataka State Small Industries Development Corporation Limited, IDBI, ICICI, IFCI and local farmers with initial equity capital base of ₹ 160 lacs.

DSCL commenced commercial production of Sugar in the year 1974, with a capacity of 1250 TCD. The Government of Karnataka was managing the affairs of the company till the year 1995. Shamanur group acquired the shares owned by Government of Karnataka & took over the management of the company during the FY 1995-96



DSCL is a leading player in the sector of sugar, ethanol, and co-generation industry, renowned for manufacturing high-quality ethanol products. Covering an extensive area of 4,800 hectares dedicated to sugarcane cultivation, DSCL has cultivated enduring partnerships with farmers, facilitated by their multi-decade experience and a robust network of 4,990 individuals as of 31 March, 2025.

DSCL shifted its business focus from being a commodity producers to green energy producers by installing molasses/sugar syrup and grain-based Ethanol unit with installed capacity of 65 KLPD and started commercial production from Q1 FY23. The company commissioned a cogeneration power plant with an installed capacity of 24.45 MWs per day in 2004 while expanding its cane-crushing capacity to 4750 TCD. The company enjoys strong relationships due to its long-standing existence of over 50+ years. The company takes pride in promoting a sustainable economy by providing employment opportunities to the local community, showcasing its commitment to social responsibility and community development. These factors have been pivotal in driving the company's success and growth, and it remains dedicated to upholding these values for the future.



CORPORATE SNAPSHOT:



Our Vision

"To be a leading and sustainable sugar, power and ethanol company, driving innovation, fostering community development, and promoting environmental stewardship."



Our Mission

"Driving Sustainability, Empowering Tomorrow: Our mission encompasses two core objectives: first, to consistently improve the production of high-quality bio-fuel by responsibly and extensively cultivating high-yielding varieties of sugarcane; second, to produce top quality sugar. We are deeply committed to environmental stewardship, actively fostering innovation, and making meaningful contributions to the development of our communities. Concurrently, our focus is on uplifting the income and overall well-being of our farmers, ensuring a sustainable and prosperous future for all."

By adhering to this vision and mission, we aspire to lead the sugar and ethanol industry towards a greener and more sustainable future, benefiting our stakeholders, society, and the planet as a whole.

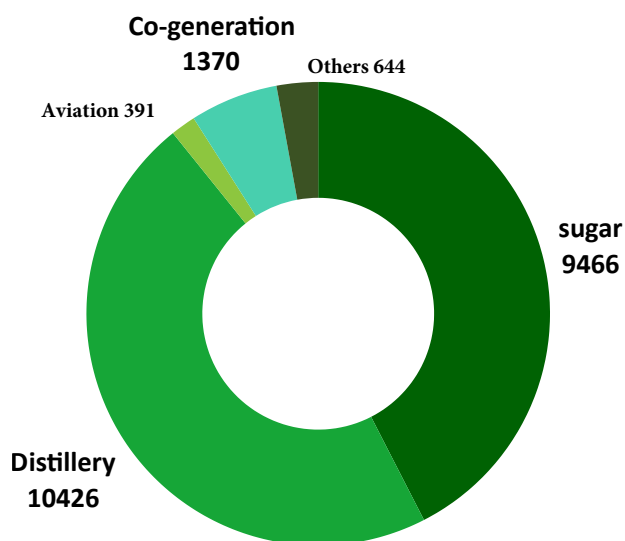


OUR REVENUE MIX

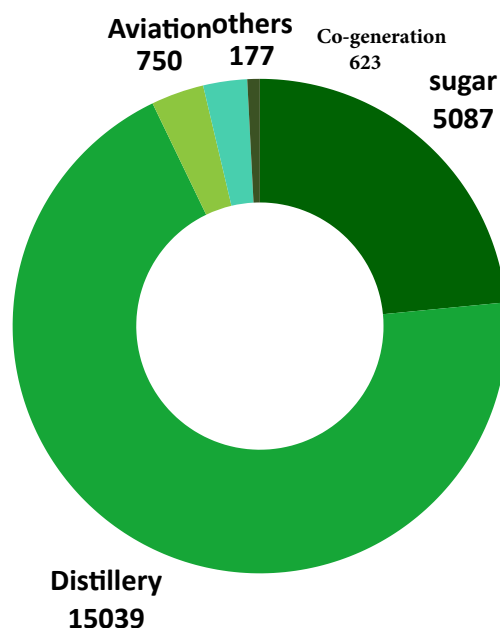


Business Segments Revenue (₹ Lakhs)

FY 2023-24



FY 2024-25



Our Legacy

Incorporated in 1970, Davangere Sugar Company Limited (DSCL) is involved in the business of production of Sugar, Ethanol and Co-Generation. DSCL commenced commercial production of sugar with a capacity of 1250 TCD and has increased the capacity to 4750 TCD over the years. The company is now among India's oldest integrated sugar companies.



Our Manufacturing Capacities

Sugar
Crushing
(TCD)

4750
TCD

Ethanol
Capacity
KLPD

65
KLPD

Co-
Generation
(MW)

24.45 MW

* The company aims to expand its existing production capacity from 65 KLPD (Kilo Litres Per Day) to 110 KLPD by 2025.





Our Locations

The company is located in Karnataka, which is one of the leading states contributing significantly to India's total sugar output. The factory is located on a land area of 165 acres at Kukkuwada village, 18 kms away from Davangere city, Karnataka state. The factory is surrounded by fully irrigated sugarcane growing belt of 30,000 acres. The Sugarcane areas are located within a radius of 35 kms surrounding the factory.



Our People

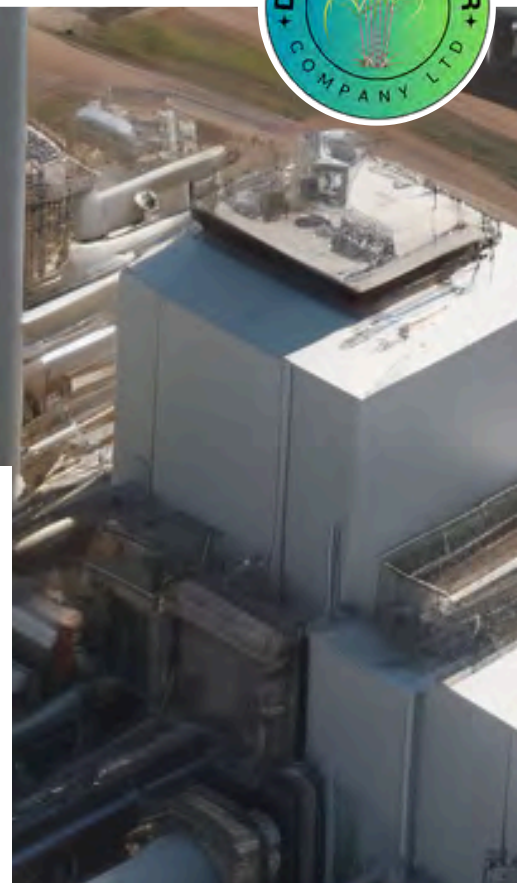
The company comprises a pool of skilled and unskilled employees with an employee strength of 392 as on March 31, 2025. The talent comprised capabilities across agriculture, manufacturing, IT, research Finance and other functions.





Our Vendors

Davangere Sugar Ltd. has developed longstanding relationships with farmers due to multi-decade experience. The company's farmer relationships comprised 4990 individuals as on 31st March, 2025.



Our Listing Details

The Company's shares are listed on Bombay Stock Exchange and National Stock Exchange. The Company's market capitalisation was 64849.58 lakhs on NSE as on March 31, 2025.



Our Products

Sugar Business



Davangere Sugar Company Ltd is a prominent player in the sugar business, boasting a present capacity of 4750 TCD (Tonnes of Cane Crushed per Day) at its sugar plant. The company's sugar unit buildings span an extensive area of approximately 2,83,874 square feet. Additionally, the company has established 5 large warehouses, with a combined capacity to store 6 lakh quintals of sugar, ensuring efficient storage and distribution capabilities.

Furthermore, the company has dedicated facilities for the storage of spares, components, and raw materials essential for sugar production. The company places a strong emphasis on environmental responsibility, with a well-equipped Effluent Treatment Plant (ETP) in place for the effective treatment of effluents generated during the production with its substantial capacity, state-of-the-art infrastructure, and eco-conscious approach, Davangere Sugar Company Ltd is well-positioned to meet market demands and continue its success in the sugar industry.



Sugar Production
132710 Qtls



Sugar Recovery
8.87%



Sugarcane Crushed
182241.91 MTs



Capacity Utilization (FY24)

25.57%

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Ethanol Business

We take immense pride in our state-of-the-art ethanol plant, where we utilize Cane syrup, B-Heavy Molasses, and C-Molasses from our own sugar plant and grains



Strengths



Existing Sugar Factory and Infrastructure



Adequate irrigation facilities with ensured cane cultivation & raw material availability for proposed distiller project on a longterm basis.



Ensured cane availability



Latest technology equipment with the highest efficiency and



Sound techno commercial viability

Apart from the strengths listed above, the demand-supply gap in fuel ethanol in India further reinforces the potential of our molasses/sugar syrup and grain-based Ethanol unit, boasting an installed capacity of 65 KLPD. We commenced commercial production in Q1FY23, positioning ourselves as a prominent player in the sustainable energy sector.

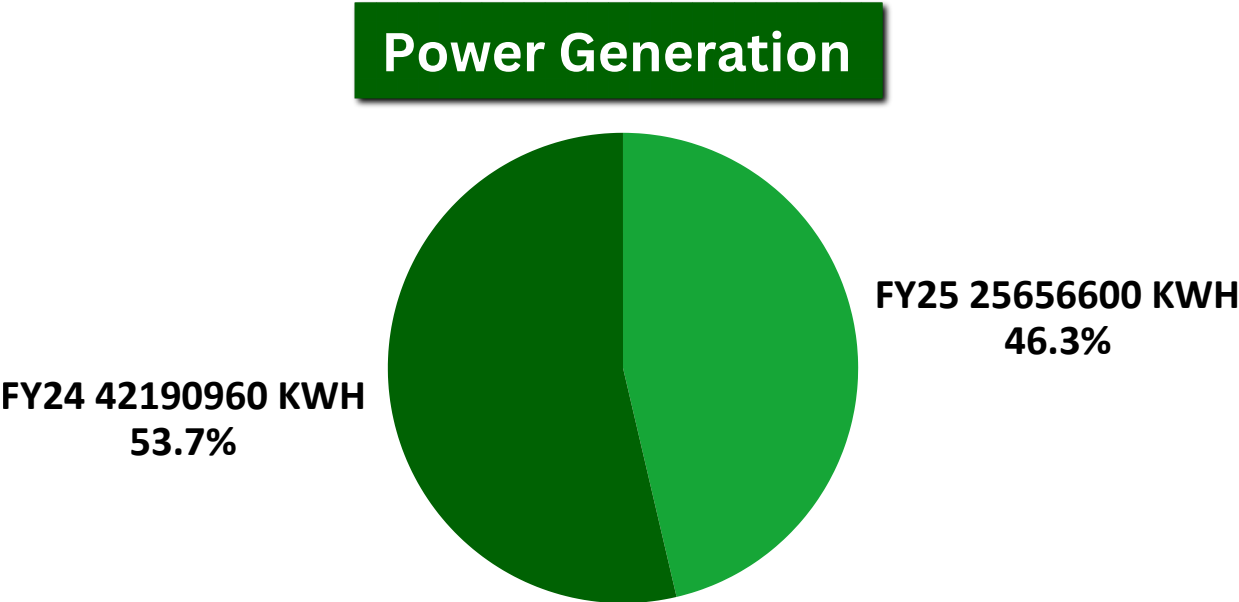
The company aims to further expand its existing ethanol production capacity from 65 KLPD to 110 KLPD with the projected timeline for completing the expansion plan set for the year 2025.



Co-Generation Business:

In FY2003-04, the company successfully commissioned a Co-generation power plant with an impressive installed capacity of 24.45 MWs per day. The Co- gen building occupies a substantial area of 1,23,018 square feet, reflecting the scale and efficiency of the power generation facility.

Over the years, the company's power generation division has witnessed remarkable growth, showcasing its commitment to renewable energy solutions. From generating 42190960 KWH (Kilowatt-hours) in FY24, the company has come down due to lesser crushing of sugarcane output of 25656600 KWH in FY25.



This consistent growth in power generation not only underscores the company's capabilities in the renewable energy sector but also highlights its contribution to sustainable practices and reducing the carbon footprint. With its substantial Co-generation power plant and an upward trajectory in power generation output, the company continues to play a pivotal role in the pursuit of clean and efficient energy solutions.

Annual Highlights

Power Generated
(FY25)
25656600 KWH

Capacity Utilization
(FY25)
32.56%



Our Journey Over The Years

1970

Incorporated as Joint Sector Company

1974

DSCL commenced commercial production of Sugar with a capacity of 1250 TCD

1995

Shamanaur Group acquired the shares from institutional bodies of Govt. of Karnataka and took over the management of the company

1998

Expansion of Cane Crushing capacity from 1,250 TCD to 1,500 TCD

2001-2003

Further Expanded the Cane crushing capacity from 1,500 TCD to 2,500 TCD

2006-2012

Expansion of Cane Crushing capacity from 2500 TCD to 4750 TCD

2012

Refined sugar manufacturing unit with 500 TCD

2022

Company installed molasses/sugar syrup and grain-based Ethanol unit with installed capacity of 65 KLPD and started commercial production from Q1FY23



Our Strengths

Fully Integrated Sugar and Ethanol Manufacturing Plant

Combines sugar and ethanol production seamlessly, utilizing sugarcane as the primary raw material for efficient and sustainable processing. This integrated approach optimizes resource utilization and enhances overall production efficiency.

Ample availability of Sugarcane, Grains, Labour, Water and Power

Karnataka benefits from abundant resources, including ample availability of sugarcane, grains, labor, water, and power, creating a favorable environment for agricultural and industrial activities in the state. This rich resource base enhances the potential for sugar and ethanol production and supports various sectors of the economy.

Huge Land Bank Available for Expansion

Availability of a huge land bank offers ample opportunities for sugar and ethanol production companies to enhance their market presence, achieve economies of scale, diversify their operations, and promote sustainability, ultimately driving growth and success in the industry.

Process in place to produce Premium Ethanol

To produce Premium Ethanol, the company employs a meticulous process involving advanced technology and stringent quality control measures. It begins with selecting high-quality raw materials, followed by precise fermentation and distillation processes, ensuring a pure and superior-grade ethanol product that meets or exceeds industry standards.

Co-Generation of power for Existing Plants

By adopting co-generation of power, existing sugar and ethanol plants can enhance their operational efficiency, reduce their environmental footprint, and contribute to more sustainable and economically viable production processes

Promotes sustainable economy by providing employment opportunities to local community

By providing employment opportunities, promoting skill development, and engaging in community development initiatives, sugar and ethanol companies play a vital role in fostering a sustainable economy that benefits the local community and contributes to the region's social and economic growth.



Creating Value for Stakeholders

» CUSTOMERS:

Davangere offers pure and hygienic sugar, premium quality ethanol, and reliable co-gen power to its end-users. Putting customers first, the company ensures superior-grade products and eco-friendly solutions, maintaining its reputation as a trusted and reliable supplier.

» EMPLOYEES:

Valuing its 433 employees, the company appreciates their hard work through recognition programs and incentives, fostering a culture of appreciation. Employee well-being and development are prioritized, ensuring a motivated and engaged workforce, crucial for sustaining ongoing success.

» SHAREHOLDERS AND INVESTORS:

Our primary focus lies in delivering exceptional financial returns to both individual and institutional shareholders. We achieve this through our well-defined growth platforms and strategic initiatives, ensuring sustainable and profitable outcomes for all stakeholders. Our commitment to maximizing shareholder value remains at the forefront of our business endeavors.

» SUPPLIERS/ FARMERS:

As an integrated sugar producer present across the entire value-chain, our company has a diverse and expanding network of suppliers and farmers. Through our extensive operations, from sugarcane cultivation to sugar and ethanol production, we offer valuable opportunities and support to our suppliers/farmers, fostering strong and mutually beneficial relationships in the agricultural community.

» REGULATORS:

Changes in regulations and laws are pivotal for ensuring the business sustainability of ethanol, sugar, and co-generation production companies. As the government and environmental agencies update policies, companies must adapt to evolving standards for environmental protection, safety, and renewable energy. Complying with these changes fosters long-term viability, enhances reputation, and positions them for growth in the dynamic and sustainable energy landscape.

» COMMUNITIES:

Communities are an integral part of our growth plan, and we are dedicated to making a positive impact by actively supporting and contributing to societal well-being



Our Performance Indicators

Particulars	Mar 25	Mar 24	Mar 23
PER SHARE RATIOS			
Basic EPS (Rs.)	1.16	1.30	1.48
Diluted EPS (Rs.)	1.16	1.30	1.48
Cash EPS (Rs.)	0.27	2.57	2.63
Book Value [Excl. RevalReserv]/Share (Rs.)	2.07	36.14	33.16
Book Value [Incl.RevalReserv]/Share (Rs.)	3.72	36.14	33.16
Revenue From Operations / Share (Rs.)	2.29	23.01	29.75
PBDIT / Share (Rs.)	0.56	5.50	5.99
PBIT / Share (Rs.)	0.42	4.23	4.76
PBT / Share (Rs.)	0.14	1.54	1.88
Net Profit / Share (Rs.)	0.12	1.30	1.40

PROFITABILITY RATIOS	Mar 25	Mar 24	Mar 23
PBDIT Margin (%)	24.32	23.90	20.14
PBIT Margin (%)	18.41	18.38	16.00
PBT Margin (%)	5.98	6.67	6.31
Net Profit Margin (%)	5.04	5.65	4.72
Return on Net worth / Equity (%)	5.50	3.59	4.23
Return on Capital Employed (%)	12.01	8.70	10.58
Return On Assets (%)	1.73	1.79	2.21
Long Term Debt / Equity (X)	0.38	0.20	0.30
Total Debt / Equity (X)	1.12	0.77	0.78
Asset Turnover Ratio (%)	0.29	0.33	0.47



Our Performance Indicators

LIQUIDITY RATIOS	Mar 25	Mar 24	Mar 23
Current Ratio (X)	1.43	1.33	1.38
Quick Ratio (X)	0.87	0.78	0.84
Inventory Turnover Ratio (X)	0.67	1.01	1.50
COVERAGE RATIOS			
Interest Coverage Ratio (%)	1.48	2.04	2.08
Interest Coverage Ratio (Post Tax) (%)	0.89	1.48	1.49

VALUATION RATIOS	Mar 25	Mar 24	Mar 23
Enterprise Value (Cr.)	700.29	970.58	783.90
EV / Net Operating Revenue (X)	64.65	4.48	2.80
EV / EBITDA (X)	13.39	18.75	13.90
Market Cap / Net Operating Revenue (X)	2.96	3.28	1.94
Price / BV (X)	1.85	2.09	1.74
Price / Net Operating Revenue (X)	2.98	3.28	1.94
Earnings Yield	0.11	0.01	0.02



Board of Directors



Mr. S.S. Ganesh

Managing Director

One of the leading industrialists and businessman, Mr. S.S Ganesh has served as the Managing Director of the company since 2002. Under his dynamic leadership, the company achieved new heights from technology and financial point of view. He has shown that by adopting dynamic management skills, professional management and creating an atmosphere for the team work the industry can realize the new heights of achievements.



Mr. Abhijith G Shamanur

Executive Director

He is a qualified Industrial Engineer Graduated from Northeastern University, Boston, U.S.A. He graduated in Master of Business Administration from University at London. He has been actively involved in the company since last 10 years and currently serves as Executive Director in the company.



Mrs. Swathi Shamanur

Non-Executive Director

Mrs. Swathi Shamanur is Masters of science in Business and Infomiation systems from New Jersey Institute of Technology, USA. She has rich experience in hotel Industry and She is curretnly mamgiry the hotel Southern Star Davangere.



Mr. Achal Kapoor **Independent Director**

Mr. Achal Kapoor is a Qualified Associate member of the Institute of Company Secretaries of India (ICSI), a Post Graduate Diploma in Business Management in Finance from Symbiosis Centre for Distance Learning, a Law Graduate from Bhagwati College of Law, CCS University (Meerut). He has more than 10 years of experience as on Legal Manager Level in the field of Corporate Laws, Securities Law, SEBI Compliances, Financial Management, Accounts and Taxation etc. in a Listed Companies, Public and Private Companies. He adjudged as Best Participant Male in orientation Programme conducted by Institute of Company Secretaries of India (ICSI). He worked in Delhi Stock Exchange, Registrar of Companies or any other legal authorities etc.

Ms. Vinita Dilip Modak **Independent Director**

As a Company Secretary and cost and management accountant Ms. Vinita Dilip Modak has worked as business consultant to various business houses mainly from Sugar industry, Manufacturing, Forging, Textile etc. Currently working as an ERP Business Analyst mainly for costing and project management. As Costing ERP solutions assist organization to provide MHR calculations, Project budgets, Monitoring of budgets and cost throughout the project life cycle, product costing, Process costing, Enterprise Resource Management, identifying cost saving opportunities and provide financial information and analysis for decision making and strategic planning. Legal, Secretarial and Corporate governance, corporate restructuring, financial management and due diligence Corporate advisory services and SCRA and regulations made thereunder Depositories Act.

Ms. Hima Bindu Sagala **Independent Director**

Fellow Chartered Accountant (F.C.A) Ms. Hima Bindu Sagala has Extensive experience in handling Corporate Audits - Statutory, Internal and Tax Audits, Software and Defense industries, Bank Audits - Statutory, Firms and Small / Medium Enterprises and Extensive Exposure to Book Keeping, Audit Finalisation, working with Statutory Auditors, Income Tax Authorities and handling Investor Relationship Management.



CHAIRMAN'S MESSAGE



Ladies and Gentlemen, it gives me immense pleasure to present the 54th Annual Report of Davangere Sugar Company Limited ("the Company") as we stand at the threshold of a new chapter in the remarkable journey. The past year has been a transformative for the Company. We weathered challenging market conditions, emerged stronger, and are now poised for future growth. Our commitment to operational excellence, sustainability, and social responsibility remains unwavering.

Our company has always been a beacon of innovation, sustainability, and commitment to the communities we serve, and I am proud to share with you some of the significant developments and strategic initiatives that will propel us into the future.

Expansion of Grain Distillery Operations

I am pleased to announce that the Company is undertaking a major expansion of our grain distillery operations, expanding existing 65 KLPD to 80 KLPD. This expansion is not just a testament to our commitment to growth, but also to our unwavering support for the local agricultural community.

The existing unit with expanded capacity will enable us to operate independently for 330 days a year, ensuring a robust and steady production cycle. Our increased procurement of maize, rice, and other feedstocks directly from local farmers strengthens our commitment to promoting sustainable farming practices and supporting the local economy.

Further I would like to emphasize that, "The quality crops provided by our local farmers are the cornerstone of our ethanol production. This expansion allows us to create more jobs, boost local incomes, and maintain our high standards year-round." This mutually beneficial relationship between the Company and our local agricultural partners will undoubtedly enhance the region's agricultural landscape, providing stability and growth opportunities for all involved.

Targeted Expansion of Sugarcane Cultivation

In addition to our distillery expansion, the Company is also committed to revolutionize the sugarcane cultivation in the regions of operations. Our goal is to increase the sugarcane growing area by 15,000 acres. This expansion will not only secure a sustainable supply of raw materials for our company but also bring about significant socio-economic benefits for the farmers in these regions.

We are expanding existing distillery unit from 65 KLPD to 80 KLPD as a project cost of Rs. 15 Crores.





We are committed to providing these farmers with assured and timely returns on their produce. To support this, we are offering financial assistance and loans to help them invest in modern agricultural practices, procure quality seeds, and access essential equipment.

At the Company, we recognize that the success of our business is intricately linked with the prosperity of the farming community. Through collaborative efforts, we aim to enhance productivity, optimize resource utilization, and ensure sustainable agricultural practices.

Our vision for sugarcane cultivation goes beyond profitability; it's about fostering inclusive growth, empowering communities, and pioneering sustainable agricultural practices. We are actively involved in research and development initiatives aimed at improving sugarcane varieties, increasing yields, and mitigating environmental impact. With the Company leading the way, sugarcane cultivation in non-traditional areas will become a viable option and a catalyst for rural development and economic transformation.

Commissioning of 35 TPD Capacity CO2 Processing Plant

In our continued efforts towards environmental sustainability and business growth, I am excited to announce the commissioning of a state-of-the-art 35-ton Carbon Dioxide (CO2) processing plant. This facility will capture and repurpose carbon dioxide emissions, transforming them into valuable products such as food-grade CO2 and dry ice, as well as CO2 for industrial applications.

This initiative not only reflects our commitment towards innovation and sustainability but also aligns with global efforts to combat climate change while enhancing our operational efficiency. By converting emissions into useful products, we are minimizing our environmental footprint and diversifying our revenue sources, ensuring a steady revenue flow and promoting eco-friendly practices.

We are committed towards innovation and sustainability, aligned with the global efforts to combat climate change.

Strategy to Maximize Ethanol Production

Looking ahead, the Company has set an ambitious target for the financial year 2025-2026. We plan to maximize ethanol production primarily from maize and other damaged grains until the crushing season begins in October 2025.

The Country's Ethanol blending program is continuing in line with Government target. The government is encouraging the industry to put up new Ethanol capacities by giving soft loans, and price in line with cost. Various states like Bihar, Jharkhand, and West Bengal are offering capital subsidies, interest rate subventions, and other benefits for setting up new ethanol units.

Furthermore, the recent launch of E20 (20% ethanol blended petrol) and upcoming introduction of Flex-Fuel Vehicles (FFVs) capable of using higher ethanol blends promise significant growth in the ethanol sector. Recognizing the evolving market dynamics and the government's push, the Company is planning to increase its ethanol production this year.





We have strategically partnered with surrounding village farmers, providing them with sugarcane seeds and other inputs at subsidized rates to help them achieve higher yields and enhance their commercial benefits. Our target is to achieve 15,000 acres of sugarcane cultivation for the forthcoming season, further solidifying our commitment to sustainable agricultural practices and community development.

Looking ahead, we are confident that by working collaboratively with our stakeholders-shareholders, partners, lenders, employees, and sugarcane farmers we can navigate the evolving sugar industry landscape and build a future of shared success.

In closing, I would like to emphasize that the Company's success is deeply rooted in our commitment to innovation, sustainability, and the communities we serve. The initiatives I have outlined today are not just about expanding our business; they are about creating a lasting positive impact on the environment, the economy, and the lives of the people associated with us. Together, let us continue to push the boundaries of what is possible, fostering growth and prosperity for all. I am confident that with your support, the Company will continue to thrive and set new benchmarks in the industry.

Sincerely
Mr. Shamanur S. Ganesh
Chairman and Managing Director
(Davangere Sugar Company Limited)





NOTICE

NOTICE IS HEREBY GIVEN THAT THE 54TH ANNUAL GENERAL MEETING OF THE MEMBERS OF DAVANGERE SUGAR COMPANY LIMITED WILL BE HELD ON TUESDAY, THE 30TH DAY OF SEPTEMBER, 2025, AT THOGATAVEERA SAMUDHAYA BHAVANA, M.C.C. 'A' BLOCK, DAVANGERE – 577 004 AT 11.00 A.M.

TO TRANSACT THE FOLLOWING BUSINESS: -

ORDINARY BUSINESS

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

To receive, consider and adopt the Audited Financial Statements of the company including the Balance Sheet of the Company as of 31st March, 2025 and the Statement of Profit and Loss of the Company and the Cash Flow Statement for that period and other Annexures thereof for the Financial Year ended 31st March, 2025 and the Reports of the Board of Directors and Auditors thereon.

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

To appoint Mrs. Swathi Shamanur (DIN: 10596097), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. **RATIFICATION OF REMUNERATION OF COST AUDITOR FOR THE F.Y 2025-26**

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

“**RESOLVED THAT** pursuant to the provisions of sub-section (3) of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Mr. M. R. Krishna Murthy, Cost Accountant, (having Reg No. FCMA7658) appointed by the Board of Director of the Company as Cost Auditor to conduct the audit of cost records maintained by the Company for the financial year 2025-26 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus GST as applicable and reimbursement of out-of-pocket expenses incurred be and is hereby ratified.”

4. **TO APPOINT CS PRASHANTH D SHEDBAL, PRACTICING COMPANY SECRETARIES, AS SECRETARIAL AUDITORS FOR A TERM OF 5 (FIVE) YEARS AND TO FIX THEIR REMUNERATION.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, if any and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circulars issued thereunder from time to time (including any statutory modification(s) or re-enactment(s) thereof,



for the time being in force), and based on the recommendations of the Audit Committee and the Board of Directors (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee thereof or any other person(s) authorised by the Board or its Committee in this regard) of the Company and subject to receipt of such other approvals, consents and permissions as may be required, CS Prashanth D Shedbal (Membership No. F8759), Practicing Company Secretaries be and are hereby appointed as Secretarial Auditors of the Company for a term of 5 (Five) years, from the commencement of financial year 2025-26 till conclusion of the financial year 2029- 30, at a remuneration and terms and conditions mentioned in explanatory statement, as fixed by the Board of Directors of the Company or any Committee of the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised to avail or obtain from CS Prashanth D Shedbal, such other services or certificates or reports which it may, as Secretarial Auditor be required and eligible to provide or issue under the applicable laws at such remuneration to be determined by the Board, to decide and finalize the terms and conditions of his appointment including to revise/ alter his remuneration for the aforesaid period and to do all such acts, deeds, matters and things including to seek all necessary approvals as required, to sign and execute all deeds, applications, documents, papers, forms and writings that may be required, to settle all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such steps and decisions as it may consider appropriate and necessary to give effect to this Resolution and for the matters connected therewith or incidental thereto.”

5. RE-APPOINTMENT OF MS. VINITA DILIP MODAK AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 (‘the Act’), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, Ms. Vinita Dilip Modak (DIN: 10763274), who was appointed as an Independent Director of the Company for period of one year with effect from 06th September 2024 until 05th September 2025 and who being eligible for re-appointment as an Independent Director has given her consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term commencing from 06th September, 2025 upto 05th September, 2027 upon the payment of such sitting fees as may be determined by the Board of Directors of the Company from time to time within the overall limits under the Act, and reimbursement of the out of pocket expenses at actual.



RESOLVED FURTHER THAT any Director, Company Secretary & Compliance Officer and/or the Chief Financial Officer of the Company, be and are hereby authorized, jointly or severally, to do all such acts, deeds and things and execute all such documents, instruments and writings, obtain necessary approvals from Shareholders, Regulators or Other Authorities as may be required under the Act or any other Regulations for the time being in force, to carry out the aforesaid Resolution.

RESOLVED FURTHER THAT any Director, Company Secretary & Compliance Officer and/or the Chief Financial Officer, be and is hereby authorized severally to file necessary Forms / Returns with the Registrar of Companies/MCA and to make necessary entries in the statutory registers to that effect and to do all act(s), deed(s) or thing(s) as may be incidental thereto required in this regard.

6. RE-APPOINTMENT OF MRS. HIMA BINDU SAGALA AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, read along with Schedule IV to the Companies Act, 2013 ('the Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Mrs. Hima Bindu Sagala (DIN: 09520601), who was appointed as an Independent Director of the Company for period of one year with effect from 06th September 2024 until 05th September 2025 and who being eligible for re-appointment as an Independent Director has given her consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term commencing from 6th September, 2025 upto 5th September, 2027 upon the payment of such sitting fees as may be determined by the Board of Directors of the Company from time to time within the overall limits under the Act, and reimbursement of the out of pocket expenses at actual.

RESOLVED FURTHER THAT any Director, Company Secretary & Compliance Officer and/or the Chief Financial Officer of the Company, be and are hereby authorized, jointly or severally, to do all such acts, deeds and things and execute all such documents, instruments and writings, obtain necessary approvals from Shareholders, Regulators or Other Authorities as may be required under the Act or any other Regulations for the time being in force, to carry out the aforesaid Resolution.

RESOLVED FURTHER THAT any Director, Company Secretary & Compliance Officer and/or the Chief Financial Officer, be and is hereby authorized severally to file necessary Forms / Returns with the Registrar



of Companies/MCA and to make necessary entries in the statutory registers to that effect and to do all act(s), deed(s) or thing(s) as may be incidental thereto required in this regard.

7. TO APPROVE CHANGE IN DESIGNATION AND REMUNERATION OF MR. ABHIJITH GANESH SHAMANUR (DIN: 03451918) FROM NON- EXECUTIVE DIRECTOR TO EXECUTIVE DIRECTOR.

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

RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereto or re-enactment(s) thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws"), and the Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee, and subject to such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded for the change in designation of Mr. Abhijith Ganesh Shamanur (DIN: 03451918) from Non-Executive Director to Executive Director of the Company (liable to retire by rotation), on a remuneration as set out in this resolution and the explanatory statement annexed, with full liberty to the Board of Directors (hereinafter referred to as the "Board", which shall be deemed to include the Nomination and Remuneration Committee of the Board) to revise, alter, modify or amend the terms of appointment, including remuneration, as may be mutually agreed between the Board and Mr. Abhijith Ganesh Shamanur, within the limits prescribed under the Companies Act, 2013 and other applicable laws.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits in any financial year during the aforesaid period, the remuneration comprising salary, perquisites, benefits and other emoluments, as approved herein, shall nevertheless be payable and treated as the minimum and fixed remuneration to Mr. Abhijith Ganesh Shamanur, in accordance with the applicable provisions of the Companies Act, 2013, for a period not exceeding three years.

RESOLVED FURTHER THAT any Director, the Company Secretary & Compliance Officer and/or the Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, and to execute all such documents, instruments and writings, and to obtain such approvals from shareholders, regulators and other authorities as may be required, to give effect to this resolution.

RESOLVED FURTHER THAT any Director, the Company Secretary & Compliance Officer and/or the Chief Financial Officer of the Company be and are hereby severally authorized to file necessary forms/returns with the Registrar of Companies/Ministry of Corporate Affairs, make necessary entries in the statutory registers, and to do all such acts, deeds and things as may be incidental or necessary in this regard.

8. TO APPROVE THE REVISION IN THE REMUNERATION OF MR. SHAMANUR SHIVASHANKARAPPA GANESH (DIN: 00451383), MANAGING DIRECTOR OF THE COMPANY.



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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), provisions of the Article of Association of the Company and subject to such consents/permissions/sanctions, as may be required, the approval of the Members of the Company be and is hereby accorded for the payment of the remuneration to Mr. Shamanur Shivashankarappa Ganesh (DIN: 00451383), Managing Director of the Company, on such terms and conditions as set out in this resolution and the explanatory statement annexed.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits in any financial year during the aforesaid period, the remuneration comprising salary, perquisites, benefits and other emoluments, as approved herein, shall nevertheless be payable and treated as the minimum and fixed remuneration to Mr. Shamanur Shivashankarappa Ganesh, in accordance with the applicable provisions of the Companies Act, 2013, for a period not exceeding three years.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this Resolution) be and is hereby authorised to vary and/or revise the remuneration of Mr. Shamanur Shivashankarappa Ganesh (DIN: 00451383), Managing Director of the Company within the overall limits under the Act and to take such steps as may be necessary, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

9. TO APPROVE THE CONVERSION OF LOAN INTO EQUITY SHARES OR CONVERTIBLE SHARE WARRANTS.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, the Memorandum and Articles of Association of the Company, applicable SEBI Regulations, and subject to such approvals, consents, permissions and sanctions as may be necessary from the statutory, regulatory and other authorities concerned, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted or to be constituted by the Board) to provide, in the financing documents, an option to the Lenders (including Promoter(s) or Promoter Group, Banks, Financial Institutions and such other lenders, hereinafter collectively referred to as the “Lenders”) to convert, at their option, the



whole or part of the outstanding loans or financial assistance (existing or future) not exceeding ₹ 300 Crore (Rupees Three Hundred Crore Only), into fully paid-up equity shares of the Company or convertible share warrants, on such terms and conditions as may be stipulated in the respective financing documents, in accordance with applicable law, and on the following broad terms and conditions:

- (i) the conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistances;
- (ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lenders or any other person identified by the Lenders as from the date of conversion and the Lenders may accept the same in satisfaction of the part of the loans so converted;
- (iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced, upon such conversion, the repayment installments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lenders or such other person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari-passu with the existing equity shares of the Company in all respects;
- (iv) in the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lenders as a result of the conversion, listed with such stock exchanges as may be prescribed by the Lenders or such other person identified by the Lenders and for the said purpose the Company shall take all such steps as may be necessary to the satisfaction of the Lenders or such other person identified by the Lenders, to ensure that the equity shares are listed as required by the Lenders or such other person identified by the Lenders;
- (v) the loans shall be converted into equity shares/ convertible warrants at a price to be determined in accordance with the applicable Securities and Exchange Board of India and / or Reserve Bank of India, regulations/ guidelines, at the time of such conversion.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize the terms and conditions of the financial assistance and conversion thereof into equity shares or convertible warrants, as the case may be, including in the event of default, in accordance with the financing documents and applicable law.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized, upon receipt of any notice of conversion from the Lenders, to take all necessary steps for the issuance, offer, allotment



and conversion of such number of equity shares and/or convertible warrants as may be required for conversion of the outstanding portion of the loans, and to accept such modifications, terms and conditions as may be imposed or required by the Lenders in this regard, and to do all such acts, deeds, matters and things as may be necessary or incidental to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable, including but not limited to creating, offering, issuing and allotting the aforesaid shares/convertible warrants, dematerializing the shares of the Company, and resolving and settling any questions, difficulties or doubts that may arise in this regard, and to delegate all or any of the powers herein conferred to any Committee of Directors or to any person(s), as it may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members of the Company, to the end and intent that the members shall be deemed to have given their approval expressly by the authority of this resolution.

10. **APPOINTMENT OF MR. ACHAL KAPOOR AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 (hereinafter "The Act") and the Rules made thereunder, (including any amendment, modification, variation or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR Regulations") thereof, as amended from time to time, and the appropriate article(s) of the Articles of Association of the Company, the approval of Members be and is hereby accorded for the appointment of Mr. Achal Kapoor (DIN: 09150394), who has been appointed by the Board of the Company as an Additional Director in the category of an Independent Director with effect from 16th July 2025 and who fulfills the criteria of Independence as prescribed under Section 149(6) of the Act, and the Rules made thereunder, relevant provisions of the LODR Regulations, 2015 and whose candidature has been recommended by the Nomination and Remuneration Committee (NRC), be and is hereby appointed as an Independent Director of the company for a period of Five year with effect from 16th July 2025 until 15th July 2030 upon the payment of such sitting fees as may be determined by the Board of Directors of the Company from time to time within the overall limits under the Act, and reimbursement of the out of pocket expenses at actual.

RESOLVED FURTHER THAT any Director, Company Secretary & Compliance Officer and/or the Chief Financial Officer of the Company, be and are hereby authorized, jointly or severally, to do all such acts, deeds and things and execute all such documents, instruments and writings, obtain necessary approvals from Shareholders, Regulators or Other Authorities as may be required under the Act or any other Regulations for the time being in force, to carry out the aforesaid Resolution.

RESOLVED FURTHER THAT any Director, Company Secretary & Compliance Officer and/or the Chief



Financial Officer, be and is hereby authorized severally to file necessary Forms / Returns with the Registrar of Companies/MCA and to make necessary entries in the statutory registers to that effect and to do all act(s), deed(s) or thing(s) as may be incidental thereto required in this regard.

11. ALTERATION OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force) and the rules framed thereunder, and other applicable regulations, rules and guidelines issued, if any, and subject to approval of Ministry of Corporate Affairs, and any other appropriate regulatory / statutory authorities and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authority, the consent of the members of the Company be and is hereby accorded the below addition to the existing Clause III (A) [Main Objects] of the Memorandum of Association of Company of the Company:

1. To invest in shares, mutual funds, equity shares, preferential shares of any other Company whether related or not related to the business of the Company or in subsidiary companies for the purpose of formation and expansion of the business of the subsidiary companies.
2. To borrow or raise money from Capital market or from banks or from NBFCs or other companies in such manner as the company shall think fit and in particular by the issue of bonds, warrants, stocks, shares, debentures or debenture stock (perpetual or otherwise and to secure the repayment any money borrowed, raised owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the company or any other person or company as the case may be. To accept Inter Corporate Deposits (ICD) from other listed or non-listed companies including private limited companies.

RESOLVED FURTHER THAT, any of the Directors and Company Secretary, be and are hereby Jointly/Severally authorized to do all such acts, deeds, matters and things as may be necessary in relation to the above including the matters incidental thereto including but not limited to signing and filing all the e-forms and other documents with the statutory authorities along with the Ministry of Corporate Affairs and to execute all such documents, instruments and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Ministry of Corporate Affairs or such other Authority arising from or incidental to the said amendment and to delegate all or any of the powers conferred herein as they may deem fit."



12. TO APPROVE AVAILING OF LOAN(S) FROM DIRECTORS UP TO ₹150 CRORES, WITH AN OPTION TO CONVERT THE SAME INTO EQUITY SHARES

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT, pursuant to the provisions of Sections 62 , 180 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the provisions of the Memorandum and Articles of Association of the Company, and subject to such other approvals, consents, permissions, and sanctions as may be required from any regulatory authority or under any applicable law, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof) to accept unsecured loan(s) from one or more Directors of the Company, from time to time, up to an aggregate amount not exceeding ₹150 Crore (Rupees One Hundred Fifty Crores only), on such terms and conditions as may be mutually agreed upon between the Company and the respective Director(s).

RESOLVED FURTHER THAT the Board be and is hereby authorised, subject to applicable laws and regulations, to convert the whole or any part of such loan(s), including interest accrued thereon, into fully paid-up equity shares of the Company, at such price (including premium, if any) and on such terms and conditions as may be determined in accordance with applicable provisions of the Companies Act, 2013, the rules made thereunder, and any other applicable law or regulation for the time being in force.

RESOLVED FURTHER THAT the equity shares to be issued upon such conversion shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, and to execute all such agreements, documents, instruments and writings as may be necessary, desirable or expedient to give effect to this resolution, including but not limited to finalising and executing loan agreements and conversion agreements with the lender director(s), determining the terms of conversion, and filing necessary forms with the Registrar of Companies and other regulatory authorities.”

**By the Order of Board
For Davangere Sugar Company Limited**

Sd/-

**Shamanur S. Ganesh
Managing Director**

DIN: 00451383

**Date: 8th September, 2025
Place: Davangere**



NOTES

1. An explanatory statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, read with the relevant Rules made thereunder (the 'Act'), setting out the material facts and reasons, in respect of Item no. 3 to 12 of this Notice of AGM ('Notice'), is annexed herewith.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member of the company. A proxy form is enclosed. The instrument appointing a proxy should, however, be deposited at the registered office of the company not less than **48 hours** before the commencement of the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or member.
4. In conformity with the applicable regulatory requirements, the Notice is being sent only through electronic mode to those members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories, as on 5th, September, 2025 and who have registered their e-mail address with the Company or Depository Participant(s). Members may note that this Notice will also be available on the website of the Company (<https://davangeresugar.com/>); National Stock Exchange of India Limited (www.nseindia.com), BSE Limited (www.bseindia.com); and NSDL (www.evoting.nsdl.com)
5. Members who have not registered/ updated their e-mail address with the Company or Depository Participant(s), may complete the e-mail registration process as under:
 - i) Members holding shares in physical form and whose KYC details including e-mail address are not registered/ updated with the Company, may register/ update their KYC details including e-mail address by submitting duly filled and signed request letter in Form ISR-1 along with self-attested copy of the PAN Card linked with Aadhaar; and self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport etc.) in support of the address of the member and such other documents as prescribed in the Form ISR-1, by e-mail at Davangeresugars@gmail.com followed by mandatorily sending the physical copy of the same through post at the Registered Office of the Company; and
 - ii) Members holding shares in demat form can update their e-mail address with their Depository Participant(s).



6. Further, in accordance with the Regulation 36(1)(b) of the SEBI Listing Regulations, a letter containing a web-link and QR Code for accessing the notice of 54th AGM and Annual Report for FY 2024-25 is being sent to all those Members who have not registered their e-mail IDs.
7. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send at the Registered Office of the Company a duly certified copy of the Board Resolution, authorizing their representative to attend and vote on their behalf at this General Meeting.
8. Special business is proposed to be transacted at the Annual General Meeting and thus the Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, is provided thereto.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2025 to 30th September, 2025. (both days inclusive) for the purpose of the AGM.
10. Members / Proxies should fill-in the attendance slip for attending the Meeting and bring their attendance slip along with their copy of the Annual Report to the Meeting.
11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
12. Members who hold the Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
13. The members are requested to intimate changes, if any, in their registered address to the Registrar & Share Transfer Agents for shares held in physical form & to their respective Depository participants for shares held in electronic form.
14. The Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent enclosing their share certificates to enable consolidation of their shareholdings in one folio.
15. All documents referred to in the accompanying Notice are opened for inspection at the Registered Office of the Company on all working days, between 12 P.M. to 4 P.M. up to the date of the Annual General Meeting.
16. Members are requested:
 - a. To quote their folio Nos. in all correspondence.
 - b. To note that no gifts will be distributed at the meeting.
17. Members holding shares in physical form, are requested to intimate their change in Bank Mandate/ National Electronic Clearing Service (NECS) details (form can be downloaded from our website of the Company i.e. www.davangeresugar.com and /or, update their PAN and Bank



Account details through a request letter along with self-attested copy of PAN, original cancelled cheque with preprinted name of the Shareholder (old and new both bank details) and bank attested copy of passbook/ statement showing name of the account holder to M/s. Integrated Registry Management Services Pvt. Ltd, Share Transfer Agent at their address at Ramana Residency, Sampige Road, Malleswaram, Bengaluru. Beneficial owners holding shares in electronic form are requested to intimate their change in Bank Mandate/ NECS details, if any, to their respective Depository Participants (DPs) in order to get the same registered.

18. Members holding Shares in physical form may write to the Company/Registrar & Share Transfer Agents (RTA) for any change in their address and bank mandates; members having shares in electronic form may inform the same to their depository participants immediately.
19. For members who hold shares in physical form, the Securities and Exchange Board of India ("SEBI"), vide its Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17th May 2023 read with SEBI Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/158 dated 26th September 2023, has mandated furnishing of PAN linked with Aadhaar, KYC details (i.e., postal address with PIN code, e-mail address, mobile number, bank account details, etc.) and nomination by holders of securities. In case any of the aforesaid documents/ details are not available in the record of the Company/ Registrar and Share Transfer Agent ("RTA"), our RTA will be required to freeze such members' folio(s) impending submission. In view of the above, new share certificate(s) to be issued by the Company shall not be dispatched to those members holding shares in physical form until their KYC is completed. For members who hold shares in demat form, they should keep their bank details, e-mail address, postal address and contact number updated in their demat account(s) maintained with Depository Participant(s).
20. In terms of Section 72 of the Companies Act, 2013, a Member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH-13 to the Company/RTA in case shares are held in Physical form, and to their respective depository participant, if held in electronic form.
21. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the e-voting facility to the members to exercise their right to vote by electronic means. The Company has fixed 23rd September, 2025 as a cut-off date to record the entitlement of the shareholders to cast their vote electronically at the Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules made thereunder.
22. The e-voting period will commence at 09.00 A.M. on 27th September, 2025 and will end at 05.00 P.M. on 29th September, 2025. The Company has appointed Ms. Ashwini Inamdhar (FCS No. 9409/CP No. 11226), Partner, M/s. Mehta and Mehta, Company Secretaries to act as Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e- voting given as Annexure to the Notice.



23. The Company has engaged the services of M/s. Integrated Registry Management Services Pvt. Ltd and NSDL as the Authorized Agencies to provide e-voting facilities.
24. SEBI vide its Master Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated 11th August 2023, has introduced Online Dispute Resolution (ODR), which is in addition to the existing SCORES platform which can be utilized by the investors and the Company for dispute resolution. Please note that the investors can initiate dispute resolution through the ODR portal only after exhausting the option to resolve dispute with the Company and on the SCORES platform.
25. Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialize form. To avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.



VOTING THROUGH ELECTRONIC MEANS

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

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

The voting rights of Shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on Tuesday, 23rd September, 2025.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins at 09.00 A.M. on 27th September, 2025 and will end at 05.00 P.M. on 29th September, 2025. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. 23rd September, 2025 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September 2025.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode





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

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

Type of shareholders	Login Method



<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> 1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.
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	<p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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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
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting 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 eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :



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

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

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



6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - 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.com 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.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically 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 is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ashwini.i@mehta-mehta.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
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 : 022 - 4886 7000 or send a request to (Amit Vishal) at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@davangeresugars.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@davangeresugars.com. If you are an Individual shareholder 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 for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



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

An explanatory statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, read with the relevant Rules made thereunder (the 'Act'), setting out the material facts and reasons, in respect of Item no. 3 to 12 of this Notice of AGM ('Notice'), is annexed herewith.

Item 3:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. M. R. Krishna Murthy, Cost Accountants, (having Reg No. FCMA7658), as the cost auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2025-26 at its Board meeting held on 8th September, 2025, at a fee of Rs. 50,000/- (Rupees Fifty Thousand) plus GST as applicable and reimbursement of out of pocket expenses as remuneration for cost audit services for the FY 2025-26.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 2025-26. The Board recommends the Ordinary Resolution for approval by the shareholders.

None of the Directors or Key Managerial Personnel of your Company including their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution set out at Item No. 3 of this Notice except as mentioned in the explanatory statement, if any.

Item 4:

Pursuant to the amended provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their respective meetings held on 8th September, 2025 have approved and recommended the appointment of CS Prashanth D Shedbal, Practicing Company Secretaries, a Peer Reviewed (No. 1094) as Secretarial Auditors of the Company for a consecutive term of 5 (Five) years to hold office from the commencement of financial year 2025-26 till conclusion of the financial year 2029-30 on following terms and conditions:

Information pursuant to Regulation 36(5) of SEBI Listing Regulations, is as follows:

- A. Term of appointment: 5 (Five) years from the commencement of financial year 2025-26 till conclusion of the financial year 2029-30.
- B. Proposed Fees: Upto Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and other out-of-pocket expenses in connection with the secretarial audit for Financial Year ending 31st March 2026 and for subsequent year(s) of their term, such fee as determined by the Board, on recommendation of Audit Committee. The fees for services in the nature of



certifications and other professional work will be in addition to the secretarial audit fee as above and will be determined by the Board or any Committee of the Board of Directors or by person authorised by them.

- C. Material change in fee payable: There are no Material Changes in fee payable.
- D. Basis of recommendations: The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI LODR Regulations.
- E. Brief Profile/ Credentials: CS Prashanth D Shedbal is a qualified Company Secretary with comprehensive experience in statutory compliance, corporate governance, and regulatory filings. He has handled e-form filings, maintained statutory records, drafted board resolutions, and prepared secretarial audit reports. He has also assisted in applications to the RBI, Regional Director, and other authorities, and played a key role in conducting AGMs and EGMs for client companies. Additionally, he has academic experience as a lecturer in Company Law and related subjects.

Item 5:

Ms. Vinita Dilip Modak (DIN: 10763274) was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Act, by the Board of Directors, effective from 06th September, 2024, to hold office up to 05th September, 2025. The said appointment was subsequently approved by the members at the Annual General Meeting (AGM) held on 30th September, 2024. She is now completing her first term as an Independent Director on 05th September, 2025.

The NRC, after taking into account the performance evaluation of Ms. Vinita Dilip Modak during her first term of 1 (one) years and considering her knowledge, acumen, expertise, experience and substantial contribution and time commitment, has recommended to the Board her re-appointment for a second term of 2 (two) years. The NRC has considered her diverse skills, leadership capabilities, as being key requirements for this role.

In view of the above, the NRC and the Board are of the view that she possesses the requisite skills and capabilities, which would be of immense benefit to the Company, and hence, it is desirable to re-appoint her as an independent director.

Based on the recommendation of the NRC, the Board, recommended the re-appointment of Ms. Vinita Dilip Modak as an independent director, for a second term of 2 (two) years effective 06th September, 2025 upto 05th September, 2027 (both days inclusive), not liable to retire by rotation.

As per Section 149 of the Act, an Independent Director may hold office for two terms of up to 2 (two) consecutive years each.

Ms. Vinita Dilip Modak fulfils the requirements of an Independent Director as laid down under Section 149(6) of the Act, and Regulation 16(1)(b) of the LODR Regulations.

The Company has received all statutory disclosures / declarations, including



- i. consent in writing from Ms. Vinita Dilip Modak to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ('Appointment Rules'),
- ii. intimation in Form DIR 8 in terms of the Appointment Rules from Ms. Vinita Dilip Modak to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and
- iii. a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time (hereinafter referred to as "LODR Regulations").
- iv. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that she has not been debarred from holding office of a director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.
- v. Confirmation that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge duties as an Independent Director of the Company, and

The Company has also received a notice in writing by a member proposing her candidature under Section 160(1) of the Act.

In the considered opinion of the Board, Ms. Vinita Dilip Modak fulfils the conditions specified in the Act, and Rules made thereunder and LODR Regulations for her reappointment as an independent director of the Company and she is independent of the Management of the Company. Additionally, the Board observed that the distinguished background and expertise of Ms. Vinita Dilip Modak are congruent with the roles and competencies identified by the NRC, thereby confirming her eligibility for reappointment as Independent Director for a second term.

The Board considers that the continued association of Ms. Vinita Dilip Modak would be of immense benefit to the Company and is desirable to continue to avail her services as an independent director. The resolution seeks the approval of members for the reappointment of Ms. Vinita Dilip Modak as an independent director of the Company, for a second term of 2 (two) years effective 06th September, 2025 upto 05th September, 2027 , (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and her office shall not be liable to retire by rotation.



No director, key managerial personnel or their relatives except Ms. Vinita Dilip Modak to whom the resolution relates is deemed to be interested in or concerned with the resolution in any manner financially or otherwise.

The Board recommends the resolution set forth in item no. 5 for the approval of members.

Item 6

Mrs. Hima Bindu Sagala (DIN: 09520601) was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Act, by the Board of Directors, effective from 06th September, 2024, to hold office up to 05th September, 2025. The said appointment was subsequently approved by the members at the Annual General Meeting (AGM) held on 30th September, 2024. She is now completing her first term as an Independent Director on 05th September, 2025.

The NRC, after taking into account the performance evaluation of Mrs. Hima Bindu Sagala during her first term of 1 (one) years and considering her knowledge, acumen, expertise, experience and substantial contribution and time commitment, has recommended to the Board her re-appointment for a second term of 2 (two) years. The NRC has considered her diverse skills, leadership capabilities as being key requirements for this role.

In view of the above, the NRC and the Board are of the view that she possesses the requisite skills and capabilities, which would be of immense benefit to the Company, and hence, it is desirable to re-appoint her as an independent director.

Based on the recommendation of the NRC, the Board, recommended the re-appointment of Mrs. Hima Bindu Sagala as an independent director, for a second term of 2 (two) years effective 06th September, 2025 upto 05th September, 2027 (both days inclusive), not liable to retire by rotation.

As per Section 149 of the Act, an Independent Director may hold office for two terms of up to 2 (two) consecutive years each.

Mrs. Hima Bindu Sagala fulfils the requirements of an Independent Director as laid down under Section 149(6) of the Act, and Regulation 16(1)(b) of the LODR Regulations.

The Company has received all statutory disclosures / declarations, including

- i. consent in writing from Mrs. Hima Bindu Sagala to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ('Appointment Rules'),
- ii. intimation in Form DIR 8 in terms of the Appointment Rules from Mrs. Hima Bindu Sagala to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and



- iii. a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time (hereinafter referred to as "LODR Regulations").
- iv. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that she has not been debarred from holding office of a director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.
- v. Confirmation that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge duties as an Independent Director of the Company, and

The Company has also received a notice in writing by a member proposing her candidature under Section 160(1) of the Act.

In the considered opinion of the Board, Mrs. Hima Bindu Sagala fulfils the conditions specified in the Act, and Rules made thereunder and LODR Regulations for her reappointment as an independent director of the Company and she is independent of the Management of the Company. Additionally, the Board observed that the distinguished background and expertise of Mrs. Hima Bindu Sagala are congruent with the roles and competencies identified by the NRC, thereby confirming her eligibility for reappointment as Independent Director for a second term.

No director, key managerial personnel or their relatives except Mrs. Hima Bindu Sagala to whom the resolution relates is deemed to be interested in or concerned with the resolution in any manner financially or otherwise.

The Board recommends the resolution set forth in item no. 6 for the approval of members.

**Item 7**

Mr. Abhijith Ganesh Shamanur (DIN: 03451918) was redesignated as a Non-Executive Director of the Company by the Board of Directors with effect from 30th August, 2024. Considering his active involvement in the management and day-to-day operations of the Company, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, at its meeting held on 8th September, 2025, has approved the change in his designation from *Non-Executive Director* to *Executive Director* of the Company, subject to the approval of the shareholders.

The Board is of the view that Mr. Abhijith Ganesh Shamanur's knowledge, experience, and leadership will provide greater value to the Company and contribute towards its growth and long-term objectives.

The terms and conditions of his appointment, including remuneration, will be in line with the provisions of the Companies Act, 2013, the rules made thereunder, and other applicable laws, and may be revised by the Board from time to time within the prescribed statutory limits.

Except Mr. Abhijith Ganesh Shamanur, being the appointee, and his relatives – Mr. S.S. Ganesh, Managing Director, and Mrs. Swathi Shamanur, Non-Executive Director, to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel, or their relatives are concerned or interested, financially or otherwise, in the resolution.

Broad particulars of the terms of remuneration payable to Mr. Abhijith Ganesh Shamanur are as under:

a. Tenure of appointment – Mr. Abhijith Ganesh Shamanur (DIN: 03451918) was redesignated as an Executive Director of the Company by the Board of Directors with effect from 08th September, 2025.

b. The remuneration:

Sr. No.	Remuneration (in Rs.)
1	Rs. 1.75 lakhs (Per Month)

The break-up of remuneration will be as per the company's policy.

Details of Mr. Abhijith Ganesh Shamanur are as per given below in point No. ii of "Information required under Section II, Part II of Schedule V of the Companies Act, 2013" pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013.



I. GENERAL INFORMATION

1.	Nature of Industries	Sugar, Ethanol and Co-generation Industry.
2.	Date or expected date of commencement of commercial production	NA
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	The Company has achieved commendable revenue and profit performance, and the same growth trajectory is anticipated to continue going forward
5.	Foreign Investments or collaborations, if any.	Not applicable

II. BRIEF PROFILE OF MR. ABHIJITH GANESH SHAMANUR

Description	Details
Name	Mr. Abhijith Ganesh Shamanur
DIN	03451918
Age	36
Qualification	An Industrial Engineer, graduated from Northeastern University, Boston, USA, and holds a Master's degree in Technology Entrepreneurship from University College London, UK.
Experience / Job Profile / Suitability	He is associated with his father, managing the affairs of existing business concerns. He has joined the family business full time since October 2012. He is a qualified Industrial Engineer, Graduated from Northeastern University, Boston, U.S.A., and has also completed his master's in technology Entrepreneurship from University College London, London, U.K. The Executive Director of the company is instrumental in introducing a high yield new variety of sugarcane VCF 0517 in the command area of the factory which is yielding about 70 MTs to 90 MTs of sugarcane per acre. It is bringing more profit to the farmers and proved to be commercial viable to farmers compared to other agricultural crops. The farmers are happy to cultivate this new variety of sugarcane and company is expanding its sugarcane belt in the command area. His efforts are having far reaching impact on making the company self-sufficient in respect of raw material for sugar production.
Terms and Conditions of appointment	Appointment as Executive director liable to retire by rotation.
Last drawn Remuneration from the Company	NA
Remuneration proposed	Rs. 1,75,000 (Monthly)
Past Remuneration	Nil



Justification for choosing the appointees as Independent Director	N.A.
Date of first appointment on the Board of the Company.	09 th June, 2011
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Mr. Abhijith Shamanur is son of Mr. SS. Ganesh, Managing Director and husband of Mrs. Swathi Shamanur Non –Executive Director of the company.
Shareholding in the Company (as on the date of Notice)	Number of Shares - 21,23,47,813
Directorships of other Board	1. SHAMANUR STARCH PRIVATE LIMITED 2. MAFATLAL PLYWOOD INDUSTRIES PRIVATE LIMITED
Membership/Chairmanship of Committees of Board of Directors of other companies	1 (Member of Audit Committee)
Comparative remuneration profile with respect to industries, size of company, profile of the position and Person.	The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V Companies Act, and is comparable to the remuneration of Director levels of similar sized Companies.
Pecuniary Relationship directly or indirectly with the company or relationship with the managerial personnel.	NA
Recognition or awards	-

III. Other information:

1.	Reasons of loss or inadequate profits	Not applicable
2.	Steps taken or proposed to be taken for improvement	The Company is growing rapidly it is expected to grow in same pace in the future.
3.	Expected increase in productivity and profits in measurable terms	The Company is growing rapidly and it is expected to grow in same pace in the future.



The Board recommends the resolution set out in Item No. 7 of the Notice for the approval of the members as an Special Resolution.

Item 8

Mr. Shamanur Shivashankarappa Ganesh (Mr. S.S. Ganesh), one of the leading industrialists and businessmen, has been serving as the Managing Director of the Company since 2002. Under his dynamic leadership, the Company has reached new heights in terms of technology and financial growth. He has demonstrated that through dynamic management skills, professional practices, and fostering a spirit of teamwork, an organization can consistently achieve remarkable milestones.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has considered and approved the payment of remuneration to Mr. S.S. Ganesh (DIN: 00451383, Managing Director of the Company).

PARTICULARS:

- ❖ **Tenure of appointment:** – Mr. S.S. Ganesh was appointed as a Managing Director of the Company w.e.f. 24th September, 2024 by the shareholders on 30th September, 2024 for 5 years.
- ❖ **Payment of Remuneration:** – The Board of Directors on recommendation of Audit Committee, has approved the payment of Rs. 3,00,000/- (Rupees Three Lakhs only) per month.

The break-up of remuneration will be as per the company's policy.

Mr. S.S. Ganesh satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment and is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

Details of Mr. S.S. Ganesh are as per given below in point No. ii of "Information required under Section II, Part II of Schedule V of the Companies Act, 2013" pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends the resolution set out in the Notice for approval of the Members as a Special Resolution.

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013.

IV. GENERAL INFORMATION

1.	Nature of Industries	Sugar, Ethanol and Co-generation Industry.
2.	Date or expected date of commencement of commercial production	NA

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	The Company has achieved commendable revenue and profit performance, and the same growth trajectory is anticipated to continue going forward
5.	Foreign Investments or collaborations, if any.	Not applicable

V. BRIEF PROFILE OF MR. S.S. GANESH

Description	Details
Name	Mr. Shamanur Shivashankarappa Ganesh
DIN	00451383
Age	64
Qualification	Graduated
Experience / Job Profile / Suitability	Being one of the leading industrialists and businessman, Mr. S.S Ganesh has served as the Managing Director of the company since 2002. Under his dynamic leadership, the company achieved new heights from technology and financial point of view. He has shown that by adopting dynamic management skills, professional management and creating an atmosphere for the team work the industry can realize the new heights of achievements.
Terms and Conditions of appointment	Re-appointed as Managing Director wef 24 th September 2024 for 45 years.
Last drawn Remuneration from the Company	3,00,000 (Monthly)
Remuneration proposed	3,00,000 (Monthly)
Past Remuneration	
Justification for choosing the appointees as Independent Director	N.A.
Date of first appointment on the Board of the Company.	24/09/2006
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Mr. SS. Ganesh is father of Mr. Abhijith Shamanur, Non-Executive Director of the company and Father in law of Mrs. Swathi Shamanur Non –Executive Director of the company.
Shareholding in the Company (as on the date of Notice)	Number of Shares 25,42,38,056
Directorships of other Board	3. SHAMANUR STARCH PRIVATE LIMITED 4. MAFATLAL PLYWOOD INDUSTRIES PRIVATE LIMITED
Membership/Chairmanship of Committees of Board of	Nil



Directors of other companies	
Comparative remuneration profile with respect to industries, size of company, profile of the position and Person.	The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V Companies Act, and is comparable to the remuneration of Director levels of similar sized Companies.
Pecuniary Relationship directly or indirectly with the company or relationship with the managerial personnel.	NA
Recognition or awards	-

VI. Other information:

1.	Reasons of loss or inadequate profits	Not applicable
2.	Steps taken or proposed to be taken for improvement	The Company is growing rapidly on standalone basis as well as consolidated basis and it is expected to grow in same pace in the future
3.	Expected increase in productivity and profits in measurable terms	The Company is growing rapidly on standalone basis as well as consolidated basis and it is expected to grow in same pace in the future

Item 9

The Company, from time to time, has availed or may avail financial assistance in the form of loans, credit facilities or other funding arrangements from Banks, Financial Institutions, Promoters/Promoter Group and other Lenders (hereinafter collectively referred to as "Lenders") for its business and operational requirements.

As part of the financing terms, and in accordance with prevailing regulatory requirements, the Lenders may stipulate an option to convert the whole or part of the outstanding loan(s) or financial assistance into equity shares and/or convertible warrants of the Company.

Pursuant to the provisions of Section 62(3) of the Companies Act, 2013, where a loan agreement or other financial assistance agreement provides an option to convert the loan into shares of the company, such conversion is permitted subject to the approval of the members of the Company by way of a special resolution.

Accordingly, the Board of Directors, based on the recommendation of the Audit Committee or Nomination and Remuneration Committee (where applicable), has proposed to seek members' approval to authorize the Board to provide, in the financing documents, such option of conversion to the Lenders up to an aggregate outstanding financial assistance not exceeding ₹ 300 Crore (Rupees Three Hundred Crore only).



The broad terms of such conversion are set out in the resolution at Item No. 9 of the Notice and inter alia provide for:

The resolution also seeks to authorize the Board to finalize the detailed terms and conditions of conversion, to make necessary filings with statutory authorities, and to delegate its powers for giving effect to the resolution.

The Board of Directors recommends the resolution set out at Item No. 9 of the Notice for approval of the members as a Special Resolution.

Item 10

Mr. Achal Kapoor was appointed as an Additional Director in the capacity of Independent Director, by the Board of Directors at their meeting held on 16th July, 2025.

As per Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, approval of the members has to be obtained for the appointment or reappointment of a person on the Board of directors at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The Company has received:

- i. consent in writing from Mr. Achal Kapoor to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ('Appointment Rules'),
- ii. intimation in Form DIR 8 in terms of the Appointment Rules from Mr. Achal Kapoor to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and
- iii. a declaration to the effect that she meets the criteria of independence as provided in subsection (6) of Section 149 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time (hereinafter referred to as "LODR Regulations").
- iv. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

The Board of Directors have while approving the appointment of Mr. Achal Kapoor as an Additional Director in the capacity of an Independent Director, considered her candidature based on the evaluation, qualification, expertise, track record, integrity, due diligence, and the satisfaction of the 'fit and proper criteria. In the opinion of the Board, he fulfils the conditions for independence as specified in the Act, the Rules made thereunder and the LODR Regulations and such other laws / regulations for the time being in force. The Board has noted that Mr. Achal Kapoor skills, background and experience are aligned to the role and capabilities identified for the Independent Directors and that Mr. Achal Kapoor is eligible for appointment as an Independent Director.

The resolution seeks the approval of members for the appointment of Mr. Achal Kapoor as an Independent Director of the Company from 16th July, 2025, to 15th July, 2030, pursuant to Sections 149 read with Schedule IV, 152 and other applicable provisions of the Act and the Rules made



thereunder (including any statutory modification(s) or re-enactment(s) thereof) and Regulation 17 of the LODR Regulations and she shall not be liable to retire by rotation. The profile and specific areas of expertise of Mr. Achal Kapoor and other relevant information as required under LODR Regulations and SS-2 are provided as annexure.

Item 11

As per the Companies Act, 2013 and the SEBI regulations, in order to commence the proposed new business activities, the Object Clause [Clause III (A)] of the Memorandum of Association of the Company needs to be altered and redrafted to depict all the activities in which the Company is engaged.

It is proposed to add new clauses to Clause III(A) [Main Objects] of the Memorandum of Association of the Company, as set out in the Special Resolution annexed to the Notice. The proposed additions are intended to enable the Company to expand and diversify its existing scope of operations. These amendments will be subject to the approval of the Ministry of Corporate Affairs and/or any other statutory or regulatory authority, as may be required. The matter is accordingly placed before the shareholders for their approval.

A copy of the Memorandum of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at its Registered Office during normal business hours on all working days (Except Saturday and Sunday). Further the same is available on Website of the company.

As per Section 13 of the Companies Act, 2013, any alteration to the Object Clause of the Memorandum of Association of the Company requires approval of the Members by passing Special Resolution. None of the Directors or the Key Managerial Persons of the Company or their respective relatives are concerned or interested, financially or otherwise in the resolution as set out at the accompanying Notice except to the extent of their shareholding.

The Board recommends passing the resolution set out at Item No. 11 as a Special Resolution.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, in the resolution set out at Item No. 11 of the Notice.

Item 12

To meet funding requirements towards proposed operational expenditures of the Company and for general corporate purposes, the Company is proposing to avail financial assistance upto ₹150 Crore (Rupees One Hundred Fifty Crores only) by way of unsecured loans from time to time from Directors. The Company is in initial discussions with Directors about availing the Facilities upon such terms and conditions stipulated by them and approved by the Board and specifically set out under the lending arrangement to be executed by and between the Company and the Lenders.

As per the terms mentioned in the lending arrangements, the said facilities may be converted into Equity Shares of the Company upon happening of any of the following events:

- a. Request forwarded by the Company requesting the Directors to convert their existing loan into the Equity Shares in the Company; or
- b. Upon exercise of an option to convert whole or part of the outstanding Facilities into fully paid up Equity Shares of the Company.



The Equity Shares to be allotted upon conversion of the Loan shall be done at a price to be determined at the time of such conversion. In terms of the provisions of the Section 62(3) and other applicable provisions of the Companies Act, 2013, an increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the loan raised by the Company to convert such loans into shares in the company, can only be done, if the terms of issue of loan containing an option to convert such loans into shares in the company, have been approved before the raising of loan by a special resolution passed by the Company in general meeting.

Accordingly, approval of the members of the Company is being sought under Section 62(3) of the Companies Act, 2013 to authorised the Lenders to convert their outstanding Facilities into equity shares in the Company.

The Board recommends passing the resolution set out at Item No. 12 as a Special Resolution.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, in the resolution set out at Item No. 12 of the Notice

**By the Order of
Board
For Davangere Sugar Company
Limited**

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

**Date: 8th September, 2025
Place: Davangere**

Brief Profile of Director/s seeking appointment/re-appointment at the forthcoming Annual General Meeting (In pursuance to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Mr. Abhijith Ganesh Shamanur	Mr. Shamanur Shivashankarappa Ganesh
DIN	03451918	00451383
Age	36	64
Qualification	Graduated from Northeastern University, Boston, U.S.A., and has also completed his Masters in Technology Entrepreneurship from University College London, London, U.K.	Graduated
Date of Appointment	30-08-2024	24-09-2024
Date of first appointment	09/06/2011	24/09/2006



Relationship with another director	Abhijith Shamanur is son of Mr. SS. Ganesh, Managing Director and husband of Mrs. Swathi Shamanur Non –Executive Director of the company.	Mr. SS. Ganesh is father of Mr. Abhijith Shamanur, Executive Director of the company and Father in law of Mrs. Swathi Shamanur Non –Executive Director of the company.
Brief resume, functional expertise, and experience	<p>He is associated with his father, managing the affairs of existing business concerns. He has joined the family business full time since October 2012.</p> <p>He is a qualified Industrial Engineer, Graduated from Northeastern University, Boston, U.S.A., and has also completed his master’s in technology Entrepreneurship from University College London, London, U.K. The Executive Director of the company is instrumental in introducing a high yield new variety of sugarcane VCF 0517 in the command area of the factory which is yielding about 70 MTs to 90 MTs of sugarcane per acre. It is bringing more profit to the farmers and proved to be commercial viable to farmers compared to other agricultural crops. The farmers are happy to cultivate this new variety of sugarcane and company is expanding its sugarcane belt in the command area. His efforts are having far reaching impact on making the company self-sufficient in respect of raw material for sugar production.</p>	<p>Being one of the leading industrialists and businessman, Mr. S.S Ganesh has served as the Managing Director of the company since 2002. Under his dynamic leadership, the company achieved new heights from technology and financial point of view. He has shown that by adopting dynamic management skills, professional management and creating an atmosphere for the team work the industry can realize the new heights of achievements.</p>
No. of shares held in the Company	6,91,47,240	25,42,38,056
Directorship held in other listed entities	NIL	NIL



Directorship in unlisted entities	NIL	3
Names of the listed entities from which the appointee has resigned in the past three years	NA	NA
Chairman/Member of the committee of the Company	1 (Member of Audit Committee)	NIL
No. of board meetings attended during the year	12	12
Remuneration drawn during year	Nil	Nil



Details of Director seeking appointment as an Independent Director
(In pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 and Secretarial Standard 2, issued by the Institute of Company Secretaries of
India

Name of the Director	Ms. Vinita Dilip Modak	Mrs. Hima Bindu Sagala	Mr. Achal Kapoor
Age	42 Years	42 Years	37 Years
DIN	10763274	09520601	09150394
Date of first appointment	06th September 2024	06th September 2024	16 th July, 2025
Qualification	Associate Company Secretary from Institute of Company Secretaries of India Cost and Management Accountant (Final) from The Institute of Cost & Management Accountant of India and M. Com from University of Pune.	Fellow Chartered Accountant (F.C.A)	Associate Company Secretary from Institute of Company Secretaries of India
Expertise	As a cost and management accountant worked as business consultant to various business houses mainly from Sugar industry, Manufacturing, Forging, Textile etc. Currently working as an ERP Business Analyst mainly for costing and project management. As Costing ERP solutions assist an organization to provide MHR calculations, Project budgets, Monitoring of budgets and cost throughout the project	Ind As and International Taxation	He has more than 10 years of experience as on Legal Manager Level in the field of Corporate Laws, Securities Law, SEBI Compliances, Financial Management, Accounts and Taxation etc. in a Listed Companies, Public and Private Companies. He adjudged as Best Participant Male in orientation Programme conducted by Institute of Company Secretaries of India



	<p>life cycle, product costing, Process costing, Enterprise Resource Management, identifying cost saving opportunities and provide financial information and analysis for decision making and strategic planning.</p> <p>Legal, Secretarial and Corporate governance corporate restructuring, financial management and due diligence Corporate advisory services and SCRA and regulations made thereunder Depositories Act.</p>		<p>(ICSI). He worked in Delhi Stock Exchange, Registrar of Companies or any other legal authorities etc.</p>
Other Directorships	NIL	<p>1. NSPIRA MANAGEMENT SERVICES PRIVATE LIMITED</p> <p>2. INCON ENGINEERS LTD</p> <p>3. TGV SRAAC LIMITED</p>	<p>1. KAIROSOFT AI SOLUTIONS LIMITED</p> <p>2. ISPATIKA INTERNATIONAL LIMITED</p> <p>3. UNICUM INDIA PRIVATE LIMITED</p> <p>4. DSM FRESH FOODS LIMITED</p> <p>5. ADDI INDUSTRIES LIMITED</p> <p>6. EMS LIMITED</p> <p>7. GOYAL ALUMINIUMS LIMITED</p> <p>8. RKB TOWEL MANUFACTURING COMPANY LIMITED</p>



Listed companies	NIL	Independent Director in TGV SRAAC Limited	Independent Director's in - 1. KAIROSOFT AI SOLUTIONS LIMITED 2. ADDI INDUSTRIES LIMITED 3. EMS LIMITED 4. GOYAL ALUMINIUMS LIMITED
Details of Sitting fees sought to be paid	Sitting Fees as approved by the Board from time to time.	Sitting Fees as approved by the Board from time to time.	Sitting Fees as approved by the Board from time to time.
Shareholding in Davangere Sugar Company Limited	NIL	NIL	NIL
Relationship with Directors / KMP inter-se	NA	NA	NA
Terms and conditions of appointment	Independent Director, not liable to retire by rotation.	Independent Director, not liable to retire by rotation.	Independent Director, not liable to retire by rotation.
Recommendation of the Board	Board recommends re-appointment for further 2 years	Board recommends re-appointment for further 2 years	Board recommends appointment for further 5 years



Form No. MGT-11

Davangere Sugar Company Limited

CIN L37100KA1970PLC001949

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

E-mail: cs@davangeresugars.com Website: www.davangeresugar.com**Proxy Form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

54th Annual General Meeting – 30th September 2025

Name of the Member(s)..... E-mail id:

Registered address Folio no. / * DP ID & *Client ID

* Applicable for Investors holding shares in electronic form.

I/ We being the Member(s) of..... shares of the above named Company, hereby appoint:

1.....of.....having e-mail id:.....or failing him/her
 2.....of.....having e-mail id:.....or failing him/her
 3.....of.....having e-mail id:.....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 54th Annual General Meeting of the Company, to be held on Thursday, 30th September 2025 at 11.00 a.m. at Thogataveera Samudhaya Bhavana, M.C.C. 'a' block, Davangere – 577 004, and at any adjournment thereof in respect of such Resolutions as are indicated below:

No.	Resolution	Vote *(Optional See Note 2)		
		For	Against	Abstain
ORDINARY BUSINESS:				
1	To receive, consider and adopt the audited financial statements of the Company for the year ended 31 st March 2025 and the reports of the Board of Directors and Auditors thereon.			
2	To appoint Mrs. Swathi Shamanur (DIN: 10596097), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.			
SPECIAL BUSINESS:				
3	Ratification Of Remuneration of Cost Auditor for The F.Y 2025-26			
4	To appoint CS Prashanth D. Shedbal, Practicing Company Secretary, as the Secretarial Auditor of the Company for a term of five (5) years and to fix his remuneration.			



5	Re-appointment of Ms. Vinita Dilip Modak as an Independent Director of the Company			
6	Re-appointment of Mrs. Hima Bindu Sagala as Independent Director of the Company			
7	To approve change in designation and Remuneration of Mr. Abhijith Ganesh Shamanur (DIN: 03451918) from Non-Executive Director to Executive Director			
8	To approve the revision in the remuneration of Mr. Shamanur Shivashankarappa Ganesh (DIN: 00451383), Managing Director of the Company			
9	To approve the conversion of loan into equity shares or convertible share warrants.			
10	Appointment of Mr. Achal Kapoor as an Independent Director of the Company			
11	Alteration of the object clause of the Memorandum of Association of the company.			
12	To Approve Availing of Loan(s) from Directors up to ₹150 Crores, with an Option to Convert the Same into Equity Shares			

Signed this.....day of 2025

Signature of the Member / Signature of the Proxy holder(s)

Affix One
Rupee
Revenue
Stamp here

Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.
3. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.



Davangere Sugar Company Limited

CIN: L37100KA1970PLC001949

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

E-mail: cs@davangeresugars.com Website: www.davangeresugar.com

Attendance Slip

54th Annual General Meeting – 30th September 2025

Folio no./ DP ID & Client ID:

No. of Shares:

*Name of the Member/ Proxy holder:
(in BLOCK letters)

I certify that I am a Member / Proxy holder for the Member of the Company.

I hereby record my presence at the 54th Annual General Meeting of the Company, held on Thursday, 30th September 2025 at 11.00 a.m. at Thogataveera Samudhaya Bhavana, M.C.C. 'a' block, Davangere – 577 004

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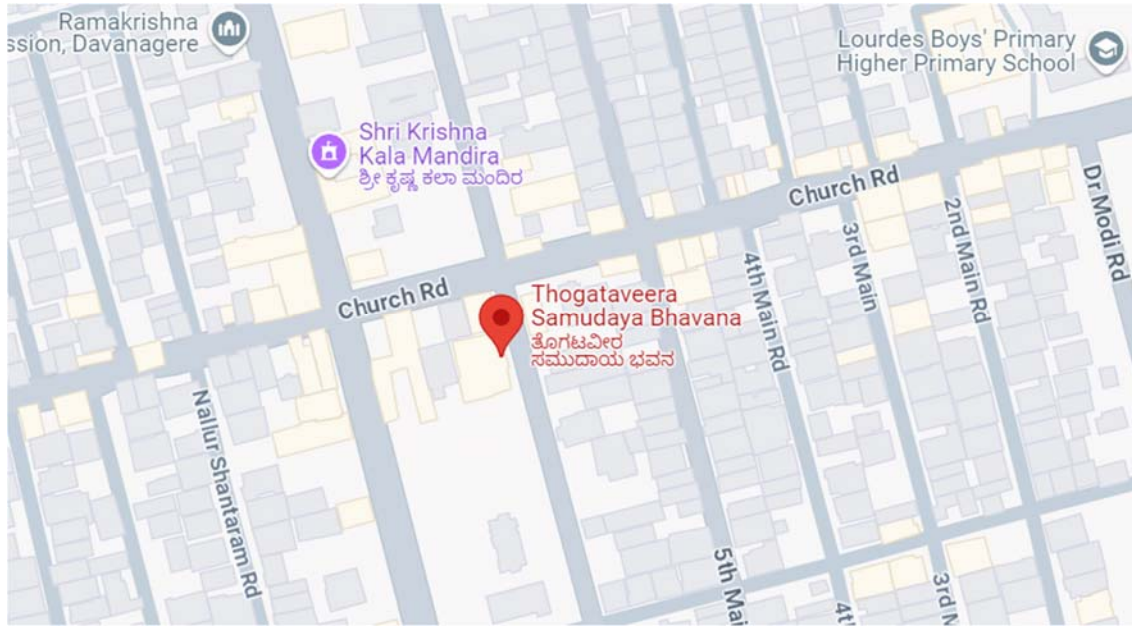
Signature of the Member/Proxy holder

* Strike out whichever is not applicable.

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM

Route Map

Thogataveera Samudhaya Bhavana, M.C.C. 'a' block, Davangere – 577 004





Board's Report

Dear Members

Your Directors' present the 54th Annual Report of the Company highlighting the business and operations of the Company and the Audited Financial Statements for the Financial Year ended 31st March, 2025.

Results of our operations and State of Affairs

The highlights of the standalone financial results are as under:

Particulars	(In Lacs)	
	FY 2024-25	FY 2023-24
Total Income	21,675.60	22296.72
Profit/(loss)before financial expenses, depreciation and amortisation	5375.15	5176.50
Exceptional items		
Financial expenses	2,819.35	2535.27
Depreciation	1269.90	1195.99
Profit/(loss)before provision for tax and exceptional items	1285.90	1445.24
Exceptional Items–Income	-	-
Provision for taxation:		
-Current Tax	224.67	252.48
-Deferred Tax/(Income)	(32.48)	(30.97)
Net Profit/(Loss)	1093.71	1223.72

Operating Highlights

The Company's financial performance for the year ended March 31, 2025 is summarized below:

The Company achieved total income of ₹ 21,675.60 Lacs for the year ended 31st March 2025 as against ₹ 22296.72 Lacs for the previous year. The EBITDA for the year under review stood at ₹ 5375.15 Lacs as compared to ₹ 5176.50 Lacs for the previous year, while the Net Profit stood at ₹ 1093.71 Lacs as compared to ₹ 1223.72 Lacs for the previous year. Analysis of operating performance is covered under Management Discussion and Analysis which forms part of this Report.

Change in Business of the Company

There were no changes in the nature of business of the Company during the year under review.

Transfer to Reserves

During the year under review, for the Financial Year 2024-25, your Company does not propose transferring any amount to General Reserve.

Dividend



To retain the profits for future growth of the Company, Your Directors do not recommend any dividend for the year ending on 31st March, 2025.

Share Capital

A) AUTHORISED SHARE CAPITAL:

During the year under review, the Authorised Share Capital of the Company was increased from ₹100 Crores (divided into 10 Crores equity shares of ₹10/- each) to ₹ 150 Crores (divided into 150 Crores equity shares of ₹ 1/- each).

Accordingly, the Authorised Share Capital of the Company now stands at ₹ 15,000 Lacs, divided into 150 Crores Equity Shares of ₹ 1/- each.

B) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL:

During the year under review, there was a change in the paid-up share capital of the Company pursuant to the sub-division (stock split) of equity shares.

The face value of each equity share was sub-divided from ₹ 10/- per share to ₹ 1/- per share, resulting in an increase in the number of equity shares while keeping the total paid-up capital unchanged.

Accordingly, the paid-up share capital of the Company was revised from 9,40,84,462 equity shares of ₹10/- each, aggregating to ₹94,08,44,620, to 94,08,44,620 equity shares of ₹1/- each, aggregating to ₹94,08,44,620, pursuant to the sub-division of equity shares.

There was no change in the total paid-up capital amount due to the sub-division.

C) ISSUE OF BONUS SHARES:

During the year under review, there was no Bonus issue of equity shares.

D) BUY BACK OF SECURITIES:

The Company has not bought back any of its securities during the year under review.

E) ISSUE OF SHARES WITH DIFFERENTIAL VOTING RIGHTS, SWEAT EQUITY SHARES AND EMPLOYEES STOCK OPTIONS:

During the financial year under review the company has not issued any shares with differential voting rights nor granted stock option, nor Sweat Equity.

F) PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES: N.A.

G) RIGHT ISSUE OF SHARES

There was no right issue of shares during the year.

Significant and Material Orders passed by the Regulators or Courts or Tribunals

There are no significant, material orders passed by the regulators or Courts or Tribunals, which would impact the going concern status of the company and its future operations.

Subsidiaries, Joint Ventures or Associate Companies



The company does not have any subsidiaries, joint ventures or Associate Company.

Accounts, Auditors and Audit Report

Statutory Auditor

M/s. DGMS & Co., Chartered Accountants (Firm Registration No. 0112187W) were appointed as Statutory Auditors of the Company at the 50th Annual General Meeting (AGM) held on 29th September 2021, for a term of 5 years to hold office from the conclusion of the 50th AGM till the conclusion of 55th AGM.

Accounts:

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications or observations made by the Statutory Auditor in the said report. During, FY 2024-25, the Statutory Auditors had not reported any matter under Section 143(12) of the Act and therefore, no detail is required to be disclosed under Section 134(3) of the Act.

Auditors' Report:

The Audit Reports dated 14th May, 2025 issued by M/s. DGMS & Co, Chartered Accountants, and Statutory Auditors on the company's standalone financial statements for the financial year ended 2024-25 is a part of Annual Report.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, the Board had appointed M/s. Mehta & Mehta, Practicing Company Secretaries, (COP No. 11226), to conduct a Secretarial Audit for the financial year 2024-25. The Secretarial Audit Report for the financial year ended 31st March 2025 is annexed herewith at **Annexure I** to this Report. There are no qualifications or observations made by the Secretarial Auditor in the said report. During FY 2024-25, the Secretarial Auditors had not reported any matter under Section 143(12) of the Act.

Further as per the SEBI (LODR) (3rd Amendment) Regulations, 2024, the Board of Directors, at its meeting held on 08th September, 2025, based on the recommendation of the Audit Committee, has approved the appointment of RVSP & Co., Practicing Company Secretaries, a peer-reviewed firm Membership No F8759 COP: 13983, as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from FY 2025-26 to FY 2029-30, subject to the approval of the Members at the forthcoming Annual General Meeting.

Cost Auditors and Cost Records

Pursuant to the provisions of Section 148 of Companies Act, 2013 and rules made thereunder, The Board of Directors, on the recommendation of the Audit Committee, has appointed Mr. Krishna Murthy, Bangalore , Cost Accountants (Firm Regn. No. FCMA7658) as the Cost Auditor to audit the cost records for the financial year ending 31st March 2026 Remuneration payable to the Cost Auditor is subject to approval by the members of the Company. Accordingly, a resolution seeking members' approval for the remuneration payable to Mr. Krishna Murthy Cost Accountants, forms part of Notice convening 54th AGM of the Company, along with relevant details of the proposed remuneration.

The Cost Accountants have confirmed that their appointment is within the limits of Section 141(3)(g) of the Act and free from any disqualification specified under Section 141(3) and proviso to Section 148(3)



read with Section 141(4) of the Companies Act, 2013. In terms of Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Act.

Disclosure as per the Companies (Accounts) Amendment Rules, 2018:

The company has made and maintained its Cost accounts and records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014.

Internal Auditors

The Company has appointed M/S B Gangadhara and Co., Chartered Accountant, Davangere, (Membership No. 024094) as Internal Auditor of the Company, to conduct internal audit and to issue report thereon from financial year 2025-26 to the financial year 2027-28 and to review internal controls and operating systems and procedures as per the scope of the audit. The Internal Audit Reports of the company are reviewed by the Audit Committee on a monthly basis. The Internal Auditors send the quarterly audit observation to the company and the same were presented to the Audit Committee, during the year.

Details of Directors and Key Managerial Personnel

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Smt. Swathi Shamanur (DIN: 10596097), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board of Directors recommends her re-appointment at the forthcoming Annual General Meeting. Brief Resume Smt. Swathi Shamanur, Director is circulated to the members as part of this Annual report.

The Board of directors and KMP consists of:

Details of Board of directors

Sl. No.	Name of Directors	Designation	Relationship
1	Sri Shamanur Shivashankarappa Ganesh	Chairman cum Managing Director	-
2	Sri Abhijith Ganesh Shamanur	Non-Executive Director	Son of M.D.
3	Smt Swathi Shamanur	Non-Executive Director	Daughter-in-law of MD
4	Smt Hima Bindu Sagala	Independent Director	-
5	Sri Achal Kapoor	Independent Director	-
6	Smt Vinita Dilip Modak	Independent Director	-

Changes in the Board of Directors during the Financial Year 2024-25

Appointment of Mrs. Swathi Shamanur as an Additional Director with effect from 19th April, 2024, who was subsequently regularized as a Director at the Extra-Ordinary General Meeting held on 15th May, 2024.

Resignation of Mrs. Rekha Ganesh from the office of Director with effect from 4th May, 2024.

Appointment of Mrs. Vinita Dilip Modak as an Additional Non-Executive Independent Director with effect from 6th September, 2024, who was regularized as an Independent Director at the Annual General Meeting held on 30th September, 2024.

Appointment of Mrs. Hima Bindu Sagala as an Additional Non-Executive Independent Director with effect from 6th September, 2024, who was regularized as an Independent Director at the Annual General Meeting held on 30th September, 2024.

Re-appointment of Mr. Shamanur Shivashankarappa Ganesh as the Managing Director of the Company for a further period of five years, effective from 24th September, 2024 to 23rd September, 2029, approved at the Annual General Meeting held on 30th September, 2024.

Cessation of Mr. Tumbegere Rudrappa from the position of Independent Director with effect from 4th October, 2024, upon completion of his tenure.

Resignation of Mrs. Veena Umpathy from the position of Independent Director with effect from 6th September, 2024, due to pre-occupation and other personal commitments.

Mr. Thappagondanahally Rajashekharappa ceased to be an Independent Director of the Company with effect from June 16, 2025. Upon completion of his tenure.

Mr. Achal Kapoor has been appointed as an Additional Director (Non-Executive, Independent) of the Company with effect from July 16, 2025, till the ensuing AGM. Subject to shareholders' approval, he shall further be appointed as an Independent Director.

The designation of Mr. Abhijith Ganesh Shamanur was changed to non-executive director with effect from 30th August 2024.

Details of KMPs:

Sr.No.	Name of the KMPs	Number of Board Meetings attended Designation
1	Sri Shamanur Shivashankarappa Ganesh	Managing Director
2	Mr. Parameshwarappa Onkarappa	Chief Financial Officer (CFO)
3	Ms. Uma Singh	Company Secretary and Compliance Officer (CO) appointed w.e.f 16 th June, 2025.



* Ms. Nidhi Vaswani resigned from the position of Company Secretary and Compliance Officer with effect from 20th May, 2025. Subsequently, Miss Uma Singh was appointed as the Company Secretary and Compliance Officer with effect from 16th June, 2025.

Deposits

During the year under review, your Company has not accepted any deposits from public within the meaning of Sections 73 and 74 of the Companies Act, 2013 (the "Act") and the Companies (Acceptance of Deposits) Rules, 2014.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo Information as per the Companies Act, 2013 and the rules framed there under relating to conservation of energy, technology absorption, foreign exchange earnings and outgo forms part of this Report and is annexed hereto as **Annexure II**.

Disclosures/Reporting:

Annual Return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules 2014, the Annual Return of the Company for FY 2024-25 is available on the website of the Company at <https://davangeresugar.com/financials/>.

Number of Meetings of Board

During the Financial Year 2024-25, Twelve (12) Board Meetings were conducted on 19th April, 2024, 24th May, 2024, 31st May, 2024, 15th July, 2024, 30th August, 2024, 6th September, 2024, 27th September, 2024, 15th October, 2024, 9th November, 2024, 14th November, 2024, 18th January, 2025 and 28th March, 2025 .

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with no material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the affairs of the Company as on 31st March, 2025 and of the profit of the Company for the year ended on that date;
- (c) that the Directors have taken proper and sufficient care for the 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 fraud and other irregularities.
- (d) that the Directors have prepared the annual accounts on a 'going concern' basis;
- (e) that the Directors 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



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

Committees of the Board

The Board has currently four Committees namely - Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Nomination and Remuneration Committee. The terms of reference of the Board Committees are in compliance with the provisions of the Companies Act, 2013, SEBI LODR Regulations, and are also reviewed by the Board from time to time. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided in the subsequent paragraphs.

Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees given, securities provided and investments made are provided in the notes to the financial statements. During the year under review, there were no loans, guarantee or investment requiring the Compliance of Section 186(3) of the Companies Act, 2013.

Performance Evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees, and of all the individual Directors based on various parameters relating to roles, responsibilities, and obligations of the Board, effectiveness of its functioning, the contribution of Directors at meetings and the functioning of its Committees. The performance evaluation of the Chairman and Non-Independent Director was carried out by the Independent Directors in their separate meeting. The Board of Directors expressed their satisfaction with the evaluation process.

The meeting of Independent Directors of the Company was held on 14th February, 2025, to discuss matters as per the provisions of Companies Act, 2013 and the Listing Regulations. The Board hereby confirms that the Company has received necessary declaration from each of the independent directors 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 and Regulation 25 of the Listing Regulations.

The company has devised a policy naming (Nomination & Remuneration Policy) for performance evaluation of Independent Directors, Board, Committees and other individual directors which includes the criteria and process for the performance evaluation of the Executive/ Non-executive directors and Committees and the Board as a whole. The policy is uploaded on the website of the company under Investor section at <https://davangeresugar.com/policies-and-codes/>

Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management of the Company

The Board has on the recommendation of the Nomination & Remuneration Committee, framed a Nomination and Remuneration policy namely "Nomination & Remuneration Policy" in line with the requirement of Section 178 of the Companies Act, 2013. The policy inter alia provides the procedure for selection, appointment and remuneration of Directors and Key Managerial Personnel, including criteria for determining qualifications, positive attributes, and independence of Directors.

Board Evaluation

Pursuant to the provisions of section 134(3)(p) the Companies Act, 2013, the Board of directors of the company is committed to get its performance evaluated in order to identify its strength and areas in which



it may improve its functioning. In this regard, the Nomination and Remuneration Committee has established the process for evaluation of the performance of Directors, including the Independent Directors.

The company has devised a policy naming (Nomination & Remuneration Policy) for performance evaluation of Independent Directors, Board, Committees and other individual directors which includes the criteria and process for the performance evaluation of the Executive/ Non-executive directors and Committees and board as a whole. The policy is uploaded on the website of the company under Investor section at <https://davangeresugar.com/policies-and-codes/>.

During the year under review as per the policy for the performance evaluation, formal annual evaluation of the performance of the Directors, including independent directors, the board and its committees was made by the Nomination & Remuneration Committee in their respective meetings.

Contracts and Arrangements with Related Parties

All Contracts/arrangements entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. None of the transactions were material in terms of section 188 of the Companies Act, 2013. The details of transactions with related parties are given in notes to the financial statements. Details showing the disclosure of transactions with related parties as required under IND AS-24 and 2A of Schedule V of SEBI Listing Regulations are set out in the financial statements.

The Company's Policy on Related Party Transactions may be accessed on the Company's website at <https://davangeresugar.com/corporate-governance/>

Risk Management Policy

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting.

Particulars of Employees

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended as **Annexure III** to this Report.

Risk Management & Internal Financial Controls

The Company has adopted a Risk Management Policy which is reviewed on a periodic basis in order to recognize, assess and reduce exposure to risks wherever possible, identify steps to mitigate risks and to identify risk owners for all types of risks. The Company's Risk Management Policy is based on the philosophy of achieving substantial growth while mitigating and managing risks involved.

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



Application made or any proceeding pending under the insolvency and bankruptcy code:

As on the date of the Report no application is pending against the Company under Insolvency and Bankruptcy Code, 2016 and the Company did not file any application under IBC during the F.Y. 2024-25.

Details of difference between valuation amount on one time settlement and valuation while availing loan from banks and financial institutions:

During the year under review there has been no one-time settlement of loans taken from Banks and Financial Institution.

Corporate Social Responsibility

Every company having net worth of Rs. 500 Crore (Rupees Five Hundred Crore) or more, or turnover of Rs. 1,000 Crore (Rupees One Thousand Crore) or more or a net profit of Rs. 5 Crore (Rupees Five Crore) or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

The Company has met this criterion for the Financial Year 2024-25 year also similarly as previous Financial Year as the net profit of the company exceeds Rs. 5 Crore (Rupees Five Crore). Your Company is committed to Corporate Social Responsibility (CSR) by catering to the needs of the weaker sections of the society.

The CSR Policy of the Company may be accessed on the Company's website at <https://davangeresugar.com/policies-and-codes/>. The report on the CSR activities is appended at **Annexure IV** to the Board's Report. The details relating to the composition, powers, roles, terms of reference etc. of CSR Committee are given in detail in the Corporate Governance Report, which forms part of this Annual Report.

Management Discussion and Analysis Report

Management discussion and Analysis Report for the year under review, as required under Regulation 34 read with Schedule V the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (SEBI LODR 2015), is forming part of this Annual Report and the same is marked as **Annexure V**.

CEO and CFO Certification:

In terms of Regulation 17(8) of the Listing Regulations, the CEO and CFO have certified to the Board of Directors of the Company with regard to the financial statements and other matters specified in the said regulation for the financial year 2024-25. The certificate received from the CEO and CFO is attached herewith and the same is marked as **Annexure VI**.

Listing and Listing fees:

The Company affirms that the annual listing fees for the year 2024-25 to The Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) has been duly paid. As on date there are no outstanding dues.

Vigil Mechanism and Whistle Blower Mechanism

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the company has established a vigil mechanism for



Directors and Employees to report their concerns about unethical behaviour, genuine concerns, actual or suspected fraud or violation of the company's Code of Conduct.

The mechanism provides adequate safeguards against victimization of Directors and employees who avail the vigil mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee. The detailed disclosure of the Vigil Mechanism & Whistle Blower Policy is available at <https://davangeresugar.com/policies-and-codes/> under Investor desk.

Company Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

The Board of Directors has code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI) in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. Under this code the company lays down guidelines and procedures and principles to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation.

The policy has been formulated to regulate, monitor and ensure reporting of deals by Designated Persons and connected persons to maintain the highest ethical standards of dealing in Company securities.

Pursuant to amendments in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 vide the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company adopted the new "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" ("Fair Disclosure Code") incorporating a policy for determination of "Legitimate Purposes" as per Regulation 8 and Schedule A to the said regulations w.e.f. 1st April, 2019.

The Revised Insider Trading Code or Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI), is available on our website at <https://davangeresugar.com/policies-and-codes/>.

Compliance with the Code of Conduct

The Board has formulated a code of Conduct for the Board Members and Senior Management of the company, which has been posted on the website of the company. It is affirmed that all the directors and senior management have complied with the code of conduct framed by the company and confirmation from all the directors, KMP and senior management has been obtained in respect of the F.Y. 31st March 2025.

Prevention of Sexual Harassment at Workplace

The Company has complied with the requirements relating to the constitution of the Internal Complaints Committee (ICC) in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Act") and the Rules framed thereunder.

The details of complaints pertaining to sexual harassment during the financial year are as under:

a.	number of complaints of sexual harassment received in the year;	-
b.	number of complaints disposed off during the year; and	-
c.	number of cases pending for more than ninety days	-



Corporate Governance

Your Company is committed to good corporate governance aligned with the best corporate practices. In compliance with Regulation 34 read with Schedule V of Listing Regulations, a detailed report on Corporate Governance forms part of this Annual Report. A Certificate from the Practicing Company Secretary confirming compliance of the conditions of Corporate Governance as stipulated under the Listing Regulations is appended as **Annexure VII** to this Report.

Certificate of Non-Disqualification of Directors

Pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of SEBI (LODR) Regulations, 2015, Certificate of non-disqualification of Directors as on 31st March, 2025 has been received from Practicing Company Secretary and annexed as **Annexure VIII** of the Directors' report.

Material Changes & Events after Balance Sheet Date

After the date of the Balance sheet there were following material changes in the Company,

- a. During the year, the Company sub-divided the face value of its equity shares from ₹10 to ₹1 each. Consequently, the number of shares increased from 9,40,84,462 to 94,08,44,620, while the aggregate paid-up share capital remained unchanged at ₹94,08,44,620.
- b. During the year, the Company's Authorised Share Capital was increased from ₹100 Crores (10 Crore equity shares of ₹10 each) to ₹150 Crores (150 Crore equity shares of ₹1 each). Accordingly, the Authorised Share Capital now stands at ₹15,000 Lakhs, divided into 150 Crore equity shares of ₹1 each.

Cautionary Statement:

The Board's Report and Management Discussion & Analysis may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company is not obliged to update any such forward-looking statements. Some important factors that could influence the Company's operations comprise economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

Appreciation & Acknowledgements

The Board wishes to place on record its gratitude for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and farmers, cane growers and finally to all its members for the trust and confidence reposed on the Company. The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their competence, dedication and contribution towards the operations of the Company.

For and on behalf of the Board

For Davangere Sugar Company Limited

Sd/-

Shamanur Shivashankarappa Ganesh
(Managing Director)

DIN: 00451383

Date: 08.09.2025

Place: Davangere

Sd/-

Abhijith Ganesh Shamanur
(Director)

DIN :03451918

Annexure I

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

*[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
Davangere Sugar Company Limited
73/1, P.B. No. 312, Shamanur Road,
Davangere, Karnataka- 577004

Dear Sir(s)/ Madam(s),

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, 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 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (during the period under review not applicable to the Company);
- (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 (during the period under review not applicable to the Company);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (during the period under review not applicable to the Company)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (during the period under review not applicable to the Company)
 - (f) 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 (during the period under review not applicable to the Company);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (during the period under review not applicable to the Company); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of 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 the Executive Directors, Non-Executive Directors and Independent Directors. The Changes in 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 shorter notice, 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 the decisions of the Board and Committee Meetings were carried out unanimously as recorded in the minutes of the Meetings, as the case may be.

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 there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

**For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)**

**Ashwini Inamdar
Partner**

FCS No: F 9409	Place: Mumbai	UDIN: F009409G001200522
CP No: 11226	Date: September 8, 2025	PR No. 3686/2023

Note: 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.

To,
The Members,
Davangere Sugar Company Limited
73/1, P.B. No. 312, Shamanur Road,
Davangere, Karnataka- 577004

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and 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 laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

- 7) 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 Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)**

**Ashwini Inamdar
Partner**

**FCS No: F 9409
CP No: 11226**

Place: Mumbai

Date: September 8, 2025

UDIN: F009409G001200522

PR No. 3686/2023



Annexure –II

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

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2025 is given below and forms part of Board's Report.

Conservation of Energy:

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



Form A

(See Rule 2)

Form for Disclosure of Particulars with respect to Conservation of Energy

Particulars	For the current year ended March 31.03.2025	For the current year ended March 31, 2024
I. Power and fuel consumption		
1. Electricity		
A. Purchases		
Unit	435240	822000
Total Amount	5222880	4586760
Rate/Unit	12.00	5.58
B. Own Generation		
[a] Through Diesel	0	590
Generator Unit	0	2.50
Unit per Litre of Diesel		36.00
Oil Cost/Unit	0	
[b] Through Steam	25656600	42190960
Turbine Unit	352	354
Unit per MT of fuel consumed	2.69	2.11
Cost/Units		
C. Consumption per unit of production (per Qtl of Sugar)		
Standards If any	132610	196360 QTLS
Products (with details) Unit – Sugar		44.57 Units
in Qtls Electricity consumption per qtl of sugar (units) Furnace Oil	41.10 units	

Technology Absorption

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

**Foreign Exchange Earnings and Outgo:**

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

Particulars	Current year	Previous Year
Export and foreign exchange Earnings for exports made to merchant exporter	Nil	Nil
Imports and expenditure in foreign currency	Nil	Nil

Sd/-

Shamanur Shivashankarappa Ganesh**(Managing Director)****DIN: 00451383****Date: 08.09.2025****Place: Davangere**

Annexure III

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

(I) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2024-25 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024-25 are as under:

S. No.	Name	Designation	Ratio of Remuneration of each Director to Median Remuneration of Employees	Percentage increase in Remuneration during FY 2024-25
1.	Mr. Shamanur Shivashankarappa Ganesh	Managing Director	N.A.	N.A.
2.	Mr. Abhijith Ganesh Shamanur	Executive Director	N.A.	N.A.
3.	Mrs. Rekha Ganesh*	Non-Executive Director	N.A.	N.A.
4.	Mr. Tumbegere Rudrappa	Independent Director	N.A.	N.A.
5.	Mr. Thappagondanahally Rajashekarappa	Independent Director	N.A.	N.A.
6.	Mrs.. Veena Umapathy	Independent Director	N.A.	N.A.
7.	Mr. Ganeshrao Virupakshappa**	Chief Financial Officer	N.A.	N.A.
8.	Miss. Nidhi Vaswani	Company Secretary and Compliance Officer.	10.80	N.A.
9.	Onkarappa P	Chief Financial Officer	11.00	NA

*Smt. Rekha Ganesh has resigned as a Director w.e.f 04th May 2024. Mrs. Swathi Shamanur was appointed as an Additional Non-Executive Director by Board of Directors in their meeting held on 19th April 2024 and was regularized as a Director in Extra-Ordinary General Meeting of the Company held on 15th May, 2024.

**Mr. Ganeshrao Virupakshappa resigned as Chief Financial Officer w.e.f 07 th February, 2024 and Mr.Onkarappa P. was appointed as Chief Financial Officer w.e.f 30 th April , 2024.

(II) The percentage increase in the Median Remuneration of the Employees of the Company for the Financial Year 2023-24 & the number of permanent employees on the rolls of the Company:

The Median Remuneration of the Employees was Rs 1,42,799 and Rs 1,65,142 in the Financial Year 2023-24 & 2024-25 respectively. Employee head count increased to 362 from 302 as on 31 March 2025 & 31 March 2024.

Affirmation that the remuneration is as per the remuneration policy of the Company:

The remuneration of Directors was as per the Remuneration Policy of the Company.



Annexure –IV

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. CSR Policy:

The Company believes in a philosophy of adopting sustainable business practices which are beneficial to the various stakeholders including the society. Through its corporate values, the Company constantly endeavours to actively contribute to the social and economic development of the communities in which it operates. The Company has always believed in giving back to the society and recognized its role and responsibility as a corporate citizen. The Company has social values ingrained into its culture and manner of working. The Company will undertake various CSR projects, programs and activities from time to time. Such projects, programs and activities will be undertaken keeping in mind the CSR philosophy of the Company and in alignment with the permissible activities under the Companies Act, 2013 and rules framed under (as amended from time to time). It shall be at the discretion of the Company to undertake, modify, implement and cancel CSR projects, programs and activities from time to time as it deems fit.

Without prejudice to the generality of the aforesaid, the company may from time to time undertake any project, program and activity on one or more of the following areas:

- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- Contributing to the education of children from low-income families, particularly those of poor farmers in the local area, implementing various educational initiatives, such as scholarships, school infrastructure development, and access to learning resources. By investing in these areas, we aim to bridge the educational gap and enable children from poor farming families to thrive academically.
- Through partnerships with local schools and nonprofit organizations, providing financial support for tuition fees, school supplies, and transportation, ensuring that children from poor farming backgrounds can attend school regularly and without financial burden
- Promoting education, including special education through various activities including organizing schools development projects/programs, by organizing special sessions in schools, etc,
- Promoting education through various activities including providing support to educational institutions, centres for non-formal education, tent school programs, schools at various sites like construction sites, etc,
- Employment enhancing vocation skills especially among children and women through various activities including child care centres, anganwadi programs, livelihood enhancement projects, vocational training programs, etc,
- Empowering women through various activities including child care centres, anganwadi program, etc.,



- Promoting awareness of preventive health care through various activities including organizing campaigns, awareness sessions, events, marathons, etc. with reference to various ailments such as diabetes, hypertension, cardiac, etc.
- Any other projects, programs and activities falling within the permissible activities prescribed under Companies Act, 2013, rules made thereunder, any circular/notification/guidelines/clarification issued thereunder.

Mode of carrying out CSR activities:

The Company may carry out the CSR activities either on its own, or through a registered trust or registered society or through a company registered under Section 8 of the Companies Act, 2013 or through one or more of the modes in such manner as it deems fit and as allowed under the provisions of the Companies Act, 2013 and rules made there under. The Company may also collaborate with other companies for undertaking projects, programs and activities in such manner as it deems fit.

The Board of Directors may change the composition of the CSR Committee from time to time in such manner as it thinks fit. Subject to provisions of Companies Act, 2013 and rules made there under, the CSR Committee may meet at such intervals, in such manner and may carry out matters in such manner and function generally as per such guidelines as it deems fit.

The CSR Committee shall have, inter alia, the following roles, powers and responsibility:

- Formulate and recommend the CSR Policy and any amendments therein to the Board of Directors of the Company,
- Develop and approve various CSR projects, programs and activities to be undertaken from time to time either directly by the Company or through other entities,
- Determine modalities of execution of such CSR projects, programs and activities,
- Undertake all necessary steps to implement the CSR activities,
- Authorise and approve CSR expenditure from time to time subject to the limits approved by the Board of Directors,
- Monitor the CSR activities in such manner as it deems fit,
- Carry out all such acts, deeds, matters and things as may be required in connection with aforesaid matters and generally for any matter connected with the CSR policy of the Company,
- To perform such functions as may be entrusted by the Board of Directors from time to time.

CSR Spending:

The Company may, in every financial year, spend such amounts on its CSR activities as the CSR Committee may authorise from time to time subject to the limits as approved by the Board of Directors. Any surplus arising out of CSR projects, programs and activities shall not form part of the business profits of the Company.

Monitoring Process:



CSR Committee shall monitor the implementation of various programs, projects and activities in such manner as it deems fit. CSR Committee shall also determine the manner of submission of information, reports, files, etc. by third parties as a part of the monitoring process. CSR Committee shall ensure that a transparent monitoring mechanism is put in place.

Without prejudice to the generality of the contents of this policy, the Company may undertake CSR projects, programs and activities as permitted under the framework of Companies Act, 2013 from time to time (including any amendments, clarifications, circulars, notifications or other official communications from time to time). The Company may also carry out the purposes of this CSR policy in accordance with any amended position of law from time to time notwithstanding that such amended position is not reflected in this policy.

2. The Composition of the CSR Committee.

Sr	Name of Committee members	Category 1 of directors	Category 2 of directors
1	Mr. Tumbegere Rudrappa*	Non-Executive - Independent Director	Chairman
2	Mr. Thappagondanahally Rajashekarappa*	Non-Executive - Independent Director	Chairman
3	Mrs. Swathi Shamanur	Non-Executive - Non Independent Director	Member
4	Mr. Achal Kapoor	Non-Executive - Independent Director	Chairman
5	Ms. Vinita Dilip Modak*	Non-Executive - Independent Director	Member

*Mr. Tumbegere Rudrappa was retired due to completion of his tenure w.e.f. 04th October 2024

* Mr. Thappagondanahally Rajashekarappa has retired due to completion of his tenure w.e.f. 16th July, 2025

*Ms. Vinita Dilip Modak was inducted to the Committee w.e.f. 06th September 2024]

* Mr. Achal Kapoor was appointed as a Chairman of the Corporate Social Responsibility Committee with effect from 16th July, 2025

The CSR Committee met once a year on 09th November 2024.

3. Average net profit as per CSR rules of the Company for last three financial years as company was required to spent during financial year 2024-25

Particulars	Amount (In Lacs)
Profit/(Loss) –2021-22	568.01
Profit/(Loss) – 2022-23	1321.54
Profit/(Loss) –2023-24	1223.74
TOTAL	3113.29
Average Profit for the purpose of Section 135	1037.76
2% of Average Profit/(Loss) for last three financial years	20.75

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

2% of average profit for last 3 years – Rs. 20.75/-



Total amount spent for the financial year 2024-25 is Rs. /-44.01 Lakhs. The details of which are furnished below:

The section 135 (Corporate social responsibility) of companies act, 2013 is applicable to the company for the Financial Year 2024-25 since the PAT of the company exceeds Rs.5 crores. The Company made a profit of Rs.1275.53 Lakhs (Profit Before Tax) during the Financial Year 2024-25 and hence the CSR provisions are applicable for the Financial Year 2024-25. **Company has to spend the mandatory amount of Rs.20.75 Lakhs being 2% of the average Profit before tax for the past 3 years (prior to FY 2024-25) for CSR activities during the FY 2024-25.** To meet this mandatory spending, the company has spent Rs.20.55 lacs on development of green belt being plantation of nursery plants in the surrounding places as a part of spending on CSR activities and has spent Rs.2.71 Lakhs for providing education to the poor students at the Primary and Secondary Education School run by the Company. Hence, the Company has spent more than the mandatory requirement of Rs.20.75 Lakhs.

Further, as a part of extending encouragement to the education, company has given a cheque Rs.20.75 Lakhs on 27.03.202 in favour of Advait Educational Trust (R) for the purchase of computers to promote education of the children and the cheque passed through the Bank on 07.04.2025. Hence, it has spent further sum of Rs.20.75 Lakhs on providing education to the children.

The aforementioned amount has been spent Rs.20.55 Lakhs on development of green belt with agro-forestry plantation for ensuring environmental sustainability. The contribution was made towards point (iv) of the Schedule VII of section 135 of the Companies Act 2013 which is promoting and 'ensuring environmental sustainability, ecological balance and agroforestry'. And further contributed Rs.20.75 Lakhs to Advait Educational Trust (R) for promotion of education which was made towards point (ii) of section 135 of the Companies Act 2013.

Hence, company has spent total Rs.44.01 Lakhs on CSR activities during the FY 2024-25 in compliance with CSR rules.

- b. **Amount unspent, if any;** - NIL
 c. **Manner in which the amount spent during the financial year is detailed below.**

Sr. No	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs	Amount outlay (budget) project or programs wise (in Rs. in lacs)	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (Rs. in lacs)	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*



1.	NA	NA	NA	NA	NA	NA	NA
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The Company has not undertaken any project to implement the CSR activities. Hence the above table is NOT APPLICABLE

5. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report. :

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

We hereby confirm on behalf of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

FOR DAVANGERE SUGAR COMPANY LIMITED

Sd/-
Shamanur Shivashankarappa Ganesh
(Managing Director)
DIN: 00451383

Sd/-
Mr. Achal Kapoor
(chairman of CSR Committee)
DIN: 09150394

Date: 08.09.2025
Place: Davangere



Annexure –V

Management Discussion & Analysis Report

Global Economic Overview

The global economy entered 2025 facing heightened uncertainty after a relative period of stabilisation in 2024. According to the April 2025 IMF World Economic Outlook, global GDP growth is projected at 2.8%, down from 3.3% in the January 2025 forecast. This downward revision largely reflects the sharp escalation of trade tensions, triggered by the United States' near-universal tariff announcements in April 2025.

Advanced economies are projected to grow by 1.4% in 2025, with the U.S. slowing to 1.8% amid trade-related uncertainty and weaker domestic demand. In contrast, emerging markets and developing economies (EMDEs) are expected to grow at 3.7%, though countries with high exposure to global trade disruptions are facing steeper slowdowns.

Global currency markets have also witnessed heightened volatility, with the U.S. dollar strengthening on account of risk aversion and elevated yields. This has placed depreciation pressures on several emerging market currencies, including the Indian rupee. While tariff hikes have been temporarily paused for 90 days for most U.S. trading partners, the lack of clarity on post-pause trade dynamics continues to weigh on global sentiment, investment planning, and supply chain resilience.

Industry Structure and Developments

Overview of the Global Sugar Sector

According to the International Sugar Organization (ISO) Quarterly Market Outlook, May 2025, the global sugar market is undergoing its sharpest imbalance in nearly a decade. The ISO's latest revision projects a global sugar deficit of 5.466 million tonnes in 2024/25, the largest in nine years, and an upward revision of 0.585 million tonnes compared to its February forecast.

Supply–Demand Dynamics

World production for 2024/25 is estimated at 174.795 million tonnes, down 6.469 million tonnes from the previous season, driven primarily by weaker output in India and Pakistan.

World consumption is forecast to reach a record 180.261 million tonnes, reflecting resilient demand despite high prices. This marks a marginal downward adjustment from earlier projections but still represents year-on-year growth from the revised 179.225 million tonnes in 2023/24.

The widening gap between consumption and production has intensified market tightness.

Price Trends and Weather Impacts

Global sugar prices surged by nearly 55% in 2024, reaching their highest levels since 2011. The sharp rally was fuelled by severe droughts in India and Thailand, the world's second- and third-largest sugar



exporters, exacerbated by the El Niño weather pattern. These climatic disruptions significantly reduced sugarcane yields and exports, leaving importing countries—particularly in sub-Saharan Africa—vulnerable to rising costs and food insecurity.

Although Brazil, the world's largest producer, achieved a robust harvest, this was insufficient to offset shortfalls in Asia. More recently, prices have moderated on expectations of improved supplies in the upcoming 2025/26 season.

Trade and Policy Developments

The global sugar trade is also being shaped by shifting trade policies:

The U.S. administration's tariff re-imposition in 2025 has injected new uncertainty into global trade flows. Retaliatory measures from major trading partners have strained supply chains and distorted pricing dynamics.

The U.S. continues to operate tariff-rate quotas (TRQs) for imports, with allocations for Brazil, Mexico, and the Philippines. While providing limited access, these quotas cap duty-free volumes, restricting broader global trade.

South Africa raised its sugar import duty in August 2024—doubling the rate—to protect domestic producers from depressed global prices, adding another layer of trade friction.

Brazil's Dual Role: Sugar and Ethanol

Brazil's biofuel policy under the RenovaBio program, mandating a 27% ethanol blend, continues to influence the global sugar balance. While ethanol remains a priority, the favourable sugar price environment has encouraged mills to divert more cane toward sugar production.

In 2025/26, Brazil is expected to produce 36.8 billion litres of ethanol, a 1% decline from the previous season, reflecting this shift toward sugar.

Increased sugar allocation from Brazil is expected to ease global tightness somewhat, but not fully offset the deficits from Asia.

Outlook

The global sugar sector remains at the crossroads of climate risk, trade policy shifts, and energy linkages. Weather-driven supply disruptions in Asia, ongoing trade barriers, and Brazil's production mix will be the key determinants of market stability. While recent price corrections provide temporary relief, the underlying fundamentals continue to point to a fragile balance, keeping global sugar markets highly sensitive to both policy actions and climatic developments in the near term.

Source

Sugar Prices Slump on the Outlook for Larger Global Supplies, NASDAQ, April 30, 2025.

Sugar prices soar to record highs due to climate change, World Economic Forum, April 2025.

South Africa: South Africa Revises Sugar Import Duties, US Department of Agriculture, August 2024.



Overview of the Indian Sugar Sector

The Indian sugar industry, a cornerstone of the nation's agro-based economy, is undergoing a significant transition in 2025. As the world's second-largest producer and consumer of sugar, India plays a pivotal role in shaping the global sugar market. The sector directly supports nearly 50 million farmers and provides employment to over 500,000 workers, making it vital for rural livelihoods and economic stability.

In the 2024–25 sugar season, the industry encountered considerable challenges due to erratic weather patterns, including droughts and excessive rainfall across key producing states such as Maharashtra, Karnataka, and Uttar Pradesh. As a result, the Indian Sugar and Bio-Energy Manufacturers Association (ISMA) revised its production estimate downward to 26.2 million metric tonnes (MMT), reflecting an 18% decline compared to the previous year. Of this, approximately 3.5 MMT is expected to be diverted for ethanol production, in line with the Government's biofuel blending programme.

Despite the shortfall, domestic supply remains adequate. India's sugar consumption is projected at 28 MMT, supported by an opening stock of 8 MMT and a closing stock forecast of 5.4 MMT by September 2025—sufficient to cover more than two months of demand. The Government's decision to allow the export of 1 MMT of sugar earlier in the year, though based on higher initial production estimates, has since raised supply concerns. Nevertheless, authorities continue to assure that current stock levels are adequate to meet domestic consumption and ethanol blending needs.

In a major policy move, the Government increased the Fair and Remunerative Price (FRP) of sugarcane by 4.41%, raising it to ₹355 per quintal for the 2025–26 season (from ₹340 previously). Based on a 10.25% recovery rate, the policy includes a premium of ₹3.46 for every 0.1% increase in recovery, and guarantees a minimum of ₹329.05 per quintal for recoveries below 9.5%. This adjustment is expected to benefit millions of farmers, though it may also put pressure on sugar mill margins amid lower cane yields and constrained exports.

A key structural shift is underway in ethanol production. India is targeting an annual capacity of 1,050 crore litres by ESY 2025, driven by a dual-feedstock approach:

Grain-based ethanol production is expected to expand significantly from 380 crore litres to around 700 crore litres.

Sugarcane-based ethanol will supplement this capacity, balancing sugar inventories and helping achieve the national goal of 20% ethanol blending in petrol.

To modernise the sector, the Government introduced the Sugar (Control) Order, 2025. This framework integrates sugar mills' enterprise systems with the Department of Food and Public Distribution's digital portal, enhancing transparency and efficiency. The order also extends regulatory oversight to raw sugar and khandsari units with capacities over 500 TCD, ensuring accurate stock reporting and fair farmer remuneration. Additionally, it covers by-products such as ethanol, thereby supporting balanced sugar diversion and domestic supply stability.

Looking ahead, the outlook for the 2025–26 season is cautiously optimistic. Forecasts of a favourable monsoon and improved water availability are encouraging higher cane planting, particularly in Maharashtra and Karnataka. This rebound could enable India to resume sugar exports of 3–5 MMT, contingent on weather conditions and global market dynamics. With supportive policy measures, increasing ethanol integration, and farmer-focused reforms, the Indian sugar sector is positioned to strengthen both its domestic stability and global competitiveness in the years ahead.

Source-

Industry body ISMA sees sufficient sugar availability to meet India's demand, ET, Mar 18, 2025.

Sugarcane fair price hiked to ` 355 a quintal, ET, May 01, 2025.

Grain and sugarcane to power India's ethanol production boost to 990 crore litres by 2025, ET, Aug 19, 2024.

To streamline regulatory framework governing Sugar Sector, Centre formulates Sugar (Control) Order, 2025, Ministry of Consumer Affairs, Food & Public Distribution, PIB, May 01, 2025.

Major Sugar Importing & Exporting Countries

(000 tonnes raw value)

IMPORT									
Country	2024 -25 (P)	2023 -24	2022 -23	2021 -22	2020 -21	2019 -20	2018 -19	2017 -18	2016 -17
Algeria	2531	1955	2491	2116	2530	2402	2246	2347	2129
Canada	1220	1397	1325	1343	1366	1231	1359	1336	1113
China	6400	6350	6270	5895	7010	5108	4367	4936	3677
Egypt, Arab Republic	1125	1010	1115	1350	1037	956	1024	1465	1820
Iraq	1215	1215	1350	1190	1047	1189	1155	1212	1232
Japan	1300	1300	1338	1355	1357	1289	1489	1150	1258
Malaysia	2180	2160	2100	2100	2184	2016	1946	2051	1963
Bangladesh	2530	2480	2400	2470	2362	2527	2231	2023	2695
Nigeria	1830	1780	1700	1988	1515	1601	1306	1168	1342



Korea Republic of	1958	1951	1940	1900	1924	1991	1914	1912	1751
Indonesia	5750	5200	5567	5158	5249	6146	4662	5004	4512
USA	2453	3020	3133	2876	2887	3577	2663	2979	2840
Saudi Arabia	1825	1616	1888	1592	1566	1830	1711	1533	1230
Sudan	1100	1200	1100	1721	1752	1514	1020	1089	1204
India	1300	3314	928	338	1256	1567	1185	2058	2768
U. Arab Emirat	1389	2189	1380	1594	1582	998	1157	2031	2730
Iran	980	966	1080	1300	901	1618	1000	331	775
EXPORT									
Country	2024-25 (P)	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Australia	2875	2908	3254	2567	3618	3222	2706	3392	3920
Brazil	3400 0	3691 0	2920 0	2554 0	3007 5	2618 3	1797 2	2289 0	2907 4
Cuba	25	25	22	2	377	750	573	501	1221
Mauritius	297	297	290	288	346	364	385	278	459
El Salvador	521	231	513	532	621	583	453	441	466
Guatemala	1600	515	1569	1742	1456	1980	1774	1652	1895
India	2300	4100	7500	1105 8	7088	7154	4884	3346	2127



Thailand	8150	5917	8225	7730	3639	8243	10168	9651	6778
Colombia	450	550	500	620	629	732	753	665	682
Mexico	708	620	1232	1794	1615	1543	2834	1128	1251
Eswatini	617	544	565	601	552	700	776	511	563
UAE	1389	1810	1110	1330	58	610	660	1680	2126
Nicaragua	485	495	536	508	368	498	507	335	420
Pakistan	862	714	1000	441	38	193	624	1513	293
Russia	600	1000	500	50	421	1467	340	575	399
Ukrain	175	500	380	145	55	115	405	555	746
South Africa	718	737	702	400	581	1203	1231	741	-
Source: ISO quarterly Aug '24 Report									

Major Sugar Producing Countries

Unit: 000 Metric tonnes, Raw value

S. No.	Name of Country	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (P)
1	Brazil	29030	39654	38509	31983	43256	46359	42372
2	India	32903	27411	31231	35526	32800	32200	26400
3	China	10503	10415	10663	9814	8970	9950	10300
4	Thailand	14441	8228	6976	10134	10803	8775	11000
5	U.S.A.	7551	6908	7827	7767	7709	7695	7783
6	Mexico	6426	5278	5715	6185	5224	4704	5094
7	Pakistan	5552	4988	5502	7922	6709	6752	7000
8	Australia	4102	3862	4303	3322	4391	3794	4052
9	Germany	3825	3980	3737	4104	3777	4002	4053
10	France	5060	4758	3354	3951	3612	3900	3943
11	Russia	6292	7063	5391	5898	6335	6930	6400
12	Indonesia	2267	2095	2294	2303	2271	2398	2500
13	Philippines	2037	2146	2180	1868	1790	1923	2000
14	Argentina	1617	1861	1627	1820	1550	1700	1750
15	Colombia	2207	2179	2097	2156	2034	1800	2000

16	South Africa	2307	2116	1861	1901	2054	2012	2063
17	Guatemala	2930	2764	2565	2762	2609	2618	2650
18	Poland	2190	2066	1984	2271	2011	2335	2410
19	Turkey	2283	2587	2952	2514	2760	3400	3220
20	Ukraine	1669	1312	1277	1432	1330	1850	1600
21	Egypt	2519	2280	2720	2460	2360	2300	2700
22	Cuba	1193	1200	824	540	355	320	320
23	Peru	1146	1172	1103	1107	1200	1280	1300
24	Vietnam	1174	769	709	742	871	1050	1100
25	Iran	1520	1377	1463	1329	1300	1440	1440

Source: ISMA. Year (Oct-Sept)

State-wise Sugar Production

(MILLION TONNES)								
S. No.	States	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (Estimate)
1	Uttar Pradesh	11.82	12.64	11.06	10.2	10.48	10.41	9.3
2	Maharashtra	10.72	6.17	10.65	13.72	10.59	11.1	8.1
3	Karnataka	4.43	3.49	4.47	6.04	5.66	5.19	4.36
4	Gujarat	1.12	0.93	1.05	1.21	1	0.93	0.89
5	Tamil Nadu & Pondicherry	0.96	0.79	0.88	1.25	1.48	1.07	0.8
6	Punjab	0.79	0.54	0.55	0.6	0.66	0.59	0.57
7	Bihar	0.84	0.73	0.48	0.46	0.63	0.69	0.62
8	Haryana	0.7	0.74	0.71	0.72	0.75	0.61	0.51
9	M.P. & C.G.	0.56	0.46	0.54	0.65	0.6	0.68	0.51
10	Uttarakhand	0.4	0.46	0.42	0.41	0.39	0.41	0.37
11	Andhra Pradesh	0.51	0.4	0.2	0.21	0.23	0.16	0.09
12	Telangana	0.26	0.14	0.12	0.23	0.2	0.18	0.17
13	Others	0.04	0.03	0.03	0.03	0.03	0.03	0.11
	All India	33.15	27.40	31.18	35.75	32.81	31.95	26.40

Year: Oct to Sept

Source: ISMA

Opportunities and Threats.

SWOT Analysis – Indian Sugar Industry

Strengths

1. Robust Cane Availability in Key Regions

- Despite weather disruptions, India remains among the world's largest sugarcane producers.
- Strong output from Uttar Pradesh and other major states sustains a steady raw material base.

2. Integrated Value Chain Operations



- Increasing number of mills have diversified into ethanol distillation, bagasse-based cogeneration, and by-products, strengthening revenue streams and resilience.
- 3. **Policy Backing for Ethanol Blending**
 - Government's focus on achieving 20% ethanol blending by 2025 has driven investments and boosted sector confidence.
- 4. **Large Domestic Consumption Base**
 - With ~29 MMT annual consumption, India's vast and growing population ensures a stable domestic demand.
- 5. **Strategic Government Intervention**
 - Policies such as Minimum Support Price (MSP), Fair Remunerative Price (FRP), and regulated exports have reduced supply-demand imbalances.
- 6. **Improved Crop Pricing Mechanism**
 - FRP hike to ₹355/quintal (SY 2024) enhances farmer compensation and incentivizes higher cane output.

Weaknesses

1. **Dependence on Climate**
 - Sugarcane is water-intensive, making the industry vulnerable to erratic monsoons and adverse weather.
 - 2024–25 production is expected to decline by ~18% to 26.4 MMT (ISMA estimate).
2. **Excessive Policy Dependence**
 - Export quotas, ethanol pricing, and diversion limits create regulatory uncertainty for mills.
3. **Ageing Infrastructure in Select Clusters**
 - Several mills continue with old machinery, impacting efficiency and cost competitiveness.
4. **Monsoon Dependency Continues**
 - Limited irrigation infrastructure leaves drought-prone states like Maharashtra and Karnataka highly dependent on rainfall.
5. **Ethanol Feedstock Constraints**
 - Restrictions such as non-linkage of ethanol prices with FRP and allocation issues reduce profitability of distilleries.

Opportunities

1. **Ethanol Expansion via Dual-Feed Model**
 - Government's target of 1,050 crore litres ethanol by SY 2025 using molasses and grain offers new growth avenues.
2. **Technology Adoption**
 - Smart cane farming, mechanisation, and digital payment systems can enhance productivity and transparency.
3. **Green Energy and ESG Alignment**
 - Rising focus on bioenergy (biogas, bio-compost, green power) aligns with ESG goals, attracting sustainable investors.
4. **Export Resumption Outlook**
 - If production recovers post-2025, India could export 2–3 MMT annually, tapping global demand.
5. **PLA and SAF Growth**



- Biodegradable plastics and Sustainable Aviation Fuel (SAF) provide alternate markets for sugar and ethanol by-products.

Threats

1. **Climatic Risks Intensifying**
 - Recurrent droughts and El Niño cycles may continue to disrupt sugarcane yields.
2. **Volatility in Ethanol Policy**
 - Frequent pricing changes in ethanol procurement may discourage investments.
3. **Tariff-Induced Global Trade Imbalances**
 - U.S. tariff hikes on sugar imports impact global sentiment and trade opportunities.
4. **Cost Inflation from FRP**
 - The 4.4% FRP increase for 2025–26 could compress mill margins if not supported by higher sugar or ethanol realizations.
5. **Competition for Land & Water**
 - Urbanisation and diversification into horticulture intensify competition for fertile land and irrigation resources.
6. **Global Price Volatility**
 - Surpluses from Brazil and other exporters may depress international prices, reducing India's competitiveness.

Business Overview

Davangere Sugar Company Limited (DSCL), one of the prominent integrated sugar manufacturing companies in Karnataka, is strategically located in the prime sugarcane-growing belt of the state. The Company is engaged in the manufacture of sugar, power, and ETHANOL, with a strong emphasis on integrated operations that ensure efficient utilization of resources and steady revenue streams. Over the years, DSCL has built its presence as a trusted player in the Indian sugar sector by combining modern manufacturing facilities with sustainable practices.

The Company operates a sugar plant with substantial crushing capacity, supported by a cogeneration unit that harnesses bagasse to produce renewable power, and a distillery that converts molasses into ethanol and other industrial alcohol. This integrated business model not only enhances operational efficiency but also mitigates risks associated with cyclical fluctuations in sugar prices. With the Government of India's thrust on ethanol blending and renewable energy, DSCL is well-positioned to benefit from policy support and sectoral reforms.

DSCL continues to work closely with a large base of sugarcane farmers, providing them with support in terms of cane development, technical assistance, and timely payments. This strong relationship with growers has ensured a steady supply of quality sugarcane, even during challenging climatic conditions. The Company's focus on sustainable cane development, improved productivity, and fair farmer engagement reflects its commitment to creating value across the value chain.

The Company has also adopted a forward-looking approach by diversifying its revenue streams beyond sugar, through ethanol production and power generation. These segments not only contribute to earnings stability but also align DSCL with the broader national priorities of green energy transition, energy security, and reduced carbon emissions.

With a growing domestic demand for sugar and ethanol, alongside evolving opportunities in the renewable energy and allied sectors, Davangere Sugar Company Limited remains focused on operational excellence, financial prudence, and long-term sustainability. Backed by its integrated operations, strong farmer base, and favorable policy environment, the Company is well-positioned to strengthen its role in India's sugar and ethanol economy while enhancing stakeholder value.

Segment-wise or product-wise performance.

REPORTING ON SEGMENT WISE REVENUES, RESULTS, ASSETS AND LIABILITIES						
Rs in Lakhs						
Sr.No.	PARTICULARS	For the quarter ended			For Twelve months Ending on Year ended	
		31-03-2025	31-12-2024	31-03-2024	31-03-2025	31-03-2024
		Audited	Unaudited	Audited	Audited	Audited
1	Segment Revenue					
a)	Sugar	1282.23	3239.15	3064.32	5086.87	9466.46
b)	Co-Generation	180.00	442.89	575.57	622.89	1369.78
c)	Aviation	40.93	185.79	78.78	749.60	391.31
d)	Distillery	4187.54	3449.92	2638.29	15039.18	10425.50
e)	Others	56.81	40.62	187.38	177.06	643.68
		5,747.51	7,358.37	6,544.33	21,675.60	22,296.73
2	Segement Results					
	Profit (+)/Loss(-) before tax, Interest and exceptional items from each segment	-	-	-	-	-
a)	Sugar	283.51	(1748.32)	500.85	(2289.62)	1630.03
b)	Co-Generation	(342.70)	18.00	180.48	(608.17)	261.08
c)	Aviation	109.31	20.46	(60.52)	384.50	(44.60)
d)	Distillery	649.04	3124.85	305.22	6514.44	2134.00

	Total	699.16	1,414.99	926.03	4,001.15	3980.51
	Add: Exceptional item		-	-	-	-
	Less: Interest	474.45	668.95	466.28	2715.25	2535.27
	Other Un-allocable expenditure net off	-	-	-	-	-
	Un-allocable corporate assets	-	-	-	-	-
	Total Profit Before Tax	224.71	746.04	459.75	1,285.90	1445.24
3	Segment Assets -					
a)	Sugar	42563.05	41542.79	36724.27	42563.05	36724.27
b)	Co-Generation	9067.35	11237.53	9259.59	9067.35	9259.59
c)	Aviation/others	496.85	346.85	163.03	496.85	163.03
d)	Distillery	21375.82	23273.10	22,020.35	21375.82	22020.35
	Total segment assets	73,503.07	76,400.27	69,167.24	73,503.07	68,167.24
	Segment Liabilities -					
a)	Sugar	27444.00	30032.15	22801.10	27444.00	22801.10
b)	Co-Generation	129.12	151.12	8.95	129.12	8.95
c)	Aviation/others	13.60	6.94	1.12	13.60	1.12
d)	Distillery	10934.38	11151.59	11357.69	10934.38	11357.69
	Total Segment Liabilities	38,521.10	41,341.80	34,168.87	38,521.10	34,168.86

Outlook

The Indian sugar industry is undergoing a phase of transition, with increasing emphasis on ethanol blending, renewable energy generation, and sustainable farming practices. With the Government of India's continued thrust on achieving 20% ethanol blending by 2025, the sector is expected to witness strong demand for distillery products, thereby reducing dependence on cyclical sugar revenues. This policy framework, combined with supportive measures such as minimum selling price (MSP) for sugar and fair and remunerative price (FRP) for cane, is likely to provide stability to the industry in the coming years.

For Davangere Sugar Company Limited (DSCL), the outlook remains encouraging. The Company's integrated operations across sugar, ethanol, and power segments provide resilience against sectoral



volatility and open new growth avenues. With steady cane availability in its command area and strong farmer relationships, DSCL is well-positioned to sustain its production levels. The planned increase in ethanol capacity and efficient utilization of by-products such as bagasse and molasses will further enhance revenue visibility and margins.

Looking ahead, DSCL aims to strengthen its contribution to India's green energy transition by scaling up ethanol production and optimizing its cogeneration operations. Global sugar market dynamics, particularly production trends in Brazil and Thailand, will continue to influence export opportunities; however, domestic consumption and ethanol demand are expected to remain the key growth drivers.

While challenges such as climatic uncertainties, rising input costs, and policy-linked risks persist, DSCL's proactive approach to operational efficiency, prudent financial management, and focus on sustainable practices place it in a strong position to capitalize on emerging opportunities. The Company remains committed to enhancing shareholder value while contributing to the nation's goals of energy security and rural prosperity.

Risks and Concerns

The Indian sugar industry, by its nature, faces several structural and operational risks that influence long-term performance:

1. Climatic Risks

Sugarcane cultivation is highly dependent on monsoon rainfall and favorable weather conditions. Any irregularity in rainfall, drought, or excessive flooding can directly impact cane availability, quality, and recovery levels. Changing climate patterns remain a key area of concern for long-term sustainability.

2. Regulatory and Policy Risks

The sugar sector is significantly influenced by government regulations relating to cane pricing (FRP/SAP), minimum selling price (MSP) of sugar, ethanol blending targets, and export/import duties. Any adverse change in policies may affect profitability and cash flows.

3. Cyclical Nature of Sugar Prices

Domestic and global sugar prices are subject to volatility driven by production cycles in India, Brazil, and Thailand. Surplus production often leads to downward pressure on sugar prices, while deficit years cause sharp increases, thereby impacting business stability.

4. Raw Material Supply Risks

The availability of sugarcane depends on timely farmer payments, crop economics compared with alternative crops, and overall farmer sentiment. Any disruption in farmer relations, increase in cane arrears, or decline in cane acreage could affect operations.

5. Financial Risks

The industry is working-capital intensive and requires timely access to credit facilities. Rising interest rates, delays in subsidy disbursement, or liquidity constraints could pose financial challenges.

6. Operational Risks



DSCL's integrated operations in sugar, ethanol, and power require continuous technological upgradation and efficient plant utilization. Breakdowns, high maintenance costs, or inefficiencies in operations may adversely impact performance.

7. Environmental and Compliance Risks

Increasing environmental regulations relating to effluent treatment, waste management, and air quality standards impose compliance obligations. Non-compliance could result in penalties or operational restrictions.

8. Global Market Risks

Movements in global crude oil prices, foreign exchange volatility, and international trade policies affect the ethanol blending program and sugar exports. External shocks in global commodity markets may indirectly impact DSCL's revenues.

Despite these risks, the Company mitigates them through diversified revenue streams, integrated operations, strong farmer engagement, prudent financial practices, and a focus on sustainability and compliance.

Internal Control Systems and Their Adequacy

Davangere Sugar Company Limited (DSCL) has established a robust and evolving internal control framework that supports its integrated operations across sugar, distillery, and cogeneration businesses. The system ensures accuracy in financial reporting, operational efficiency, regulatory compliance, and asset safeguarding across geographically dispersed facilities.

The Company's internal control structure is aligned with the principles of accountability, risk-based control design, and continuous monitoring. It encompasses well documented policies, standard operating procedures (SOPs), authorisation protocols, and periodic reviews conducted at functional, plant, and corporate levels.

Financial Controls

DSCL has instituted strong financial controls over critical processes, including procurement, inventory management, revenue recognition, and capital expenditure. The Company follows a maker-checker approver system across transactions, supported by enterprise-level SAP automation, ensuring compliance with internal policies and statutory requirements. Quarterly and annual financial statements are prepared in compliance with Indian Accounting Standards (Ind AS) and are subject to limited review or audit by statutory auditors.

Operational Controls

DSCL has a well-structured internal control framework to ensure efficient operations, protection of assets, accuracy of financial reporting, and compliance with statutory requirements. The Company



follows defined policies and procedures supported by ERP systems for monitoring cane procurement, crushing, production, and inventory.

An independent internal audit function periodically reviews key processes, and its findings are placed before the Audit Committee for corrective action. Financial controls, including budgetary discipline, variance analysis, and approval mechanisms, strengthen transparency and accountability. Compliance with regulatory requirements and risk management practices are integrated into day-to-day operations.

The Board and Audit Committee regularly evaluate the adequacy of these controls and are of the view that the internal control systems are robust, effective, and commensurate with the size and nature of the business.

Compliance and Risk Management Controls

DSCL has instituted a comprehensive compliance and risk management framework to safeguard business sustainability. The system ensures adherence to applicable laws, regulatory guidelines, environmental norms, and corporate governance standards.

The Company has a structured risk management process to identify, assess, and mitigate key risks relating to sugarcane availability, price fluctuations, regulatory changes, working capital requirements, and environmental sustainability. Periodic monitoring, internal audits, and reporting to the Audit Committee strengthen oversight and corrective action.

Through proactive compliance practices, technology-driven monitoring, and a culture of accountability, the Company aims to minimize business disruptions and ensure long-term value creation for stakeholders.

Internal Audit

The Company has appointed a reputed independent internal audit firm that conducts risk-based audits per an annual plan approved by the Audit Committee.

These audits evaluate controls' design effectiveness and operating efficiency, covering all business units and key functional areas. Findings and actionable recommendations are presented to management and the Audit Committee.

Discussion on financial performance with respect to operational performance.

During the financial year 2024–25, Davangere Sugar Company Limited delivered a stable performance despite industry-wide challenges arising from lower sugar realizations and climatic pressures. The Company's integrated business model—encompassing sugar, ethanol, and cogeneration—helped mitigate the impact of cyclicalities in the sugar segment and reinforced its position as a diversified energy and agro-based enterprise.

Revenue Performance



Total income for FY 2024–25 stood at ₹21,675.60 lakhs, maintaining a steady trend compared to ₹22,296.72 lakhs in the previous year. While revenue from sugar moderated, this was more than compensated by a significant surge in ethanol sales, which continue to be the Company's growth driver.

Segmental Analysis

Sugar Segment: Revenue stood at ₹5,086.87 lakhs, impacted due to lesser sugarcane availability during the seasons due to scanty rainfall and yield per acre of sugarcane also came down. While segment profitability was under pressure, the strategic decision to channel more cane towards ethanol ensured higher value realization, demonstrating DSCL's agility in adapting to policy-driven opportunities.

Distillery Segment: The distillery operations delivered an outstanding performance, with revenue growing by 44% to ₹15,039.18 lakhs from ₹10,425.50 lakhs in FY 2023–24. Segment profit surged to ₹6,514.44 lakhs (previous year: ₹2,134.00 lakhs), reflecting enhanced utilization of capacity and increased offtake under the Ethanol Blending Programme. This segment has now become the core earnings engine for the Company.

Cogeneration Segment: Revenue from the cogeneration unit stood at ₹622.89 lakhs compared to ₹1,369.78 lakhs in the previous year. Although segment results reflected a loss due to lower exportable surplus, the cogeneration unit continues to provide significant benefits through captive consumption, reducing reliance on external power and ensuring sustainability.

Others (including Aviation and Miscellaneous Income): Revenue grew sharply to ₹927 lakhs compared to ₹391 lakhs in FY 2023–24, demonstrating the benefits of the Company's diversification initiatives.

Profitability

The Company recorded a Profit Before Tax of ₹1,285.90 lakhs, compared to ₹1,445.24 lakhs in the previous year. Despite subdued sugar margins and higher finance costs, profitability was largely supported by the strong turnaround in the distillery business. Net Profit stood at ₹1,093.71 lakhs, with an Earnings Per Share (EPS) of ₹1.16.

Operational Highlights

DSCL effectively managed sugarcane availability through strong farmer relationships and sustainable cane development initiatives.

The distillery unit operated at high utilization levels, supported by Government policy on ethanol blending, which remains a cornerstone of future growth.

Continuous modernization of plants and adoption of efficient technologies have improved recovery and optimized resource usage.

The cogeneration unit, despite lower export revenues, enhanced self-sufficiency in energy, aligning with the Company's sustainability objectives.



Balance Sheet and Cash Flow

The Company strengthened its balance sheet by reducing long-term borrowings from ₹6,849.09 lakhs to ₹4,738.10 lakhs, thereby lowering financial leverage.

Net worth improved to ₹34,981.97 lakhs, reflecting financial stability and prudent management of reserves.

Inventories and trade receivables increased in line with operational scale, while cash and cash equivalents remained stable at ₹338.20 lakhs.

Net cash from financing activities remained positive, supported by timely access to credit and efficient debt management.

Key Positives and Strategic Achievements

Distillery capacity expansion translated directly into superior financial performance and higher margins.

Strategic alignment with the Ethanol Blending Programme ensured sustainable earnings visibility.

Reduction in long-term borrowings strengthened the Company's capital structure.

Diversification into value-added segments such as aviation and by-products contributed incremental revenue.

Strong farmer engagement and cane development programs secured a reliable raw material base, even during weather uncertainties.

Adoption of modern technology and Zero Liquid Discharge (ZLD) systems reinforced DSCL's ESG commitments.

Overall Assessment

The year reaffirmed the strength of DSCL's integrated business model. While the sugar segment experienced cyclical pressures, the distillery business emerged as a robust pillar of growth, substantially enhancing profitability. Cogeneration and other diversified streams contributed to operational stability. With a healthy balance sheet, sustainable practices, and a clear focus on ethanol-led growth, the Company is well-placed to deliver consistent financial performance and create long-term value for stakeholders.

Human Resource

The human resource function at Davangere Sugar Company Limited (DSCL) continues to play a pivotal role in driving organizational growth, operational efficiency, and stakeholder value. The Company recognizes that its people are its most valuable asset and therefore focuses on fostering a culture of empowerment, skill development, and employee engagement.



During the year under review, the Company undertook several initiatives aimed at strengthening its HR framework:

Workforce Strength: As on [date], the Company employed 392 employees across its sugar, distillery, cogeneration, and corporate functions. In addition, a large number of seasonal and contractual workers are engaged during the crushing season, reflecting the labor-intensive nature of the sugar industry.

Skill Development and Training: Structured training programs were conducted for employees across levels, covering areas such as operational excellence, safety, environmental compliance, leadership, and technology upgradation.

Industrial Relations: Industrial relations remained cordial throughout the year. The Company maintained an open and transparent dialogue with workers and trade unions, which helped ensure uninterrupted operations during the crushing season.

Health, Safety and Welfare: DSCL has continued its commitment to employee welfare through initiatives such as regular health camps, safety audits, accident-prevention programs, and COVID/post-pandemic health monitoring.

Digital HR Practices: The Company has progressively adopted digital HR solutions to streamline payroll, attendance management, and performance appraisal systems, enabling better transparency and efficiency.

Employee Engagement: Various engagement activities, cultural events, and welfare schemes were undertaken to strengthen the bond between employees and the organization, thereby creating a positive work environment.

The Board places on record its appreciation for the dedication, commitment, and contribution of all employees. The Company believes that with its strong workforce, harmonious industrial relations, and continued focus on capability building, DSCL is well-positioned to achieve its long-term business objectives.

Details of significant changes

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of significant changes (i.e., 25% or more as compared to the immediately previous financial year) in key financial ratios of Davangere Sugar Company Limited are provided below:

Particulars	FY 2024-25	FY 2023-24	% Change	Remarks / Explanation
Debtors Turnover Ratio	7.46x	11.75x	-4.29	Increase in trade receivables in FY 2025
Inventory Turnover Ratio	1.49x	2.03x	-0.54	Increase in inventory and decrease in turnover during the FY 2025
Interest Coverage Ratio	1.48	2.04	-27.45%	Decrease in profit during the FY 2025
Current Ratio	1.43	1.33	+0.10	Increase in inventory level during the FY 2025



Particulars	FY 2024-25	FY 2023-24	% Change	Remarks / Explanation
Debt-Equity Ratio	1.42x	1.01x	+0.41	Increase in unsecured loans from directors during the FY 2025
Operating Profit Margin (%)	24.32	23.90	+0.42	Decrease in expenses during the FY 2025
Net Profit Margin (%)	5.04	5.65	-0.61	Decrease in turnover and Profit during the FY 2025
Return on Net Worth (RoNW)	13.24%	8.42%	+4.82	Increase in EBITA and long-term loans during FY 2025

FOR DAVANGERE SUGAR COMPANY LIMITED

GANESH SHIVASHANKARAPPA SHAMANUR

Managing Director

DIN: 00451383

Date: 08TH September, 2025

Place: Davangere



ANNEXURE VI
COMPLIANCE CERTIFICATE (CFO CERTIFICATION)
[SEE REGULATION 17(8)]

To,
Board of Directors,

In accordance with Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

1. We have reviewed financial statements and the cash flow statement for the year ending 31st March, 2025 and that to the best of their knowledge and belief:

a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b. 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.

2. 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.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit committee:

a. significant changes in internal control over financial reporting during the year;

b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

c. 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 AND ON BEHALF OF BOARD OF DIRECTORS

Date: - 08.09.2025

Place: - Davangere

**SHAMANUR
GANESH**

Managing Director

SHIVASHANKARAPPA

PARAMESHWARAPPA

ONKARAPPA

CFO

Annexure - VII

Corporate Governance Report

A. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

BOARD OF DIRECTORS

(a) Composition

The Company's policy is to have an appropriate mix of Executive, Non-Executive, and Independent Directors. As at the end of the year 31st March 2025, the Board of Directors had six members comprising of one Managing Director, two Non-Executive Director, and three Independent Directors.

(b) Board Meetings

During the Financial Year 2024-25, Twelve (12) Board Meetings were conducted on 19th April, 2024, 24th May, 2024, 31st May, 2024, 15th July, 2024, 30th August, 2024, 6th September, 2024, 27th September, 2024, 15th October, 2024, 9th November, 2024, 14th November, 2024, 18th January, 2025 and 28th March, 2025. The maximum gap between any two Board Meetings was less than one hundred and twenty days. All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board of Directors as prescribed under Part-A of Schedule II of sub-regulation 7 of Regulation 17 of the Listing Regulations. The details of the attendance of each Director at the Board Meetings during the Financial Year 2024-25 are given below.

Name of Director	Category of Directorship	Whether promoter or not	Relationship	No. of Shares held	Meetings held during the year	Meetings attended	Whether last AGM held on 30/09/2024 Attended or not
Mr. S.S.Ganesh	Managing Director	Yes	-	25,42,38,056	12	12	Yes
Mr. Abhijith Ganesh Shamanur	Non-Executive Director	Yes	Son of M.D.	6,91,47,240	12	12	Yes

Mr. Thappagondanahally Rajashekharappa*	Independent Director	Yes	-	-	12	12	No
Mrs. Swathi Shamanur (from 19 th April 2024)	Non-Executive Director	-	-	-	12	11	Yes
Mrs. Hima Bindu Sagala (from 6 th September 2024)	Independent Director	-	-	-	12	6	Yes
Mrs. Vinita Dilip Modak (from 6 th September 2024)	Independent Director	-	-	-	12	6	No
Mrs. Rekha Ganesh (till 4 th May, 2024)	Non-Executive Director	Yes	Wife of M.D.	6,08,62,000	12	1	NA
Mrs. Veena Umpathy (till 6 th September, 2024)	Independent Director	-	-		12	6	NA
Mr. Tumbegere Rudrappa (till 4 th October 2024)	Independent Director	-	-	-	12	7	NA

*Mr. Thappagondanahally Rajashekharappa ceased to be an Independent Director of the Company with effect from July 16, 2025.

Mr. Achal Kapoor has been appointed as an Additional Director (Non-Executive, Independent) of the Company with effect from July 16, 2025, till the ensuing AGM. Subject to shareholders' approval, he shall further be appointed as an Independent Director.

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

Sr. no	Name of Director	No. of other companies in which Director other than Davangere Sugar company Limited (including alternate/nominee Director)	No. of committees (other than Davangere Sugar company Limited) in which Member
--------	------------------	--	--

1.	Mr. S.S.Ganesh	2	NIL
2.	Mr. Abhijith Ganesh Shamanur	NIL	NIL
3.	Mrs. Swathi Shamanur	NIL	NIL
4.	Mrs. Hima Bindu Sagala	3	3
5.	Mr. Thappagondanahalli Rajashekharappa*	NIL	NIL
6.	Mrs. Vinita Dilip Modak	NIL	NIL

*Mr. Thappagondanahalli Rajashekharappa ceased to be an Independent Director of the Company with effect from July 16, 2025.

(d) In order to ensure effective functioning of the Company, the Board requires specialized knowledge, experience and expertise. Nomination and Remuneration Committee while considering appointment of any person as Director ensure that they possess the skills which are necessary for the efficient functioning of the Company and all other qualifications as prescribed under SEBI Listing Regulations and the Act and also such other skills, positive attributes etc. which may be beneficial in enhancing the growth of Company, which is then recommended to the Board for their approval.

Name of the director	Sugar Industry experience	Business Operations & Mgmt	Information Technology	Business Development & Human Resource Management	Risk Management	Finance & Accounts	Corporate Governance, Ethics	Legal Expertise
Mr. S.S.Ganesh	√	√	√	√	√	√	√	√
Mr. Abhijith Ganesh Shamanur	√	√	√	√	√	√	√	√
Mrs. Swathi Shamanur	√	√	√	√	√	√	√	√
Mrs. Hima Bindu Sagala	√	√	√	√	√	√	√	√
Mr. Thappagondanahalli Rajashekharappa*	√	√	-	√	-	√	√	√
Mrs. Vinita Dilip Modak	√	√	√	√	√	√	√	√

* Mr. Thappagondanahalli Rajashekharappa ceased to be an Independent Director of the Company with effect from July 16, 2025.

(e) Declaration by the Independent Directors

Each Independent Director gives a certificate confirming that they meet the “independence criteria” as mentioned in Section 149(6) of the Companies Act, 2013 and SEBI LODR Regulations. The Board has taken on record the declaration and confirmation submitted by the Independent Directors and after assessing

the veracity of the same, the Board is of the opinion that the Independent Directors fulfill the conditions specified in the SEBI LODR Regulations and are independent of the management. These certificates have been placed on the website of the Company.

The Company has familiarisation programme for Independent Non-Executive Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The familiarisation programme along with details of the same imparted to the Independent Non-Executive Directors during the period under review are available on the website of the Company at <https://davangeresugar.com/policies-and-codes/>

COMMITTEES OF THE BOARD:

The Board has currently four Committees namely - 1. Audit Committee, 2. Stakeholders' Relationship Committee, 3. Corporate Social Responsibility Committee and 4. Nomination and Remuneration Committee. The terms of reference of the Board Committees are in compliance with the provisions of the Companies Act, 2013, SEBI Listing Regulations and are also reviewed by the Board from time to time. The role and composition of these Committees including the number of meetings held during the financial year and the related attendance are provided in the subsequent paragraphs.

I. AUDIT COMMITTEE: The Company has constituted Audit Committee in accordance with the provisions of law.

(a) Terms of Reference

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

(b) Composition, names of members and Chairperson

The Audit Committee was constituted with three Non-Executive Directors, including two Independent Directors, and the Compliance Officer acts as the Secretary to the Committee.

Sl. No.	Name of the Director	Position	Designation
1	Mrs. Hima Bindu Sagala	Chairman	Independent Director
2	Mr. Abhijith Ganesh Shamanur	Member	Non-Executive Director
3	Mr. Thappagondanahalli Rajashekharappa*	Member	Independent Director
4	Mr. Tumbegere Rudrappa	Member	Independent Director

	(till 6 th September, 2024)		
5	Mr. Achal Kapoor*	Member	Independent Director

Mr. Thappagondanahally Rajashekharappa, who was a Member of the Audit Committee, ceased to be an Independent Director of the Company with effect from July 16, 2025. Subsequently, Mr. Achal Kapoor was appointed as a Member of the Audit Committee with effect from the same date.

(c) Meetings and Attendance during the year

Six meetings were held during the financial year ended 31st March, 2025 on 24th May, 2024, 15th July 2024, 06th September, 2024, 09th November, 2024, 18th January, 2025 and 28th March, 2025.

Sl.No.	Name of the Director	Number of Meetings held	Number of Meetings attended
1	Mrs. Hima Bindu Sagala (from 6 th September, 2024)	6	3
2	Mr. Abhijith Ganesh Shamanur	6	6
3	Mr. Thappagondanahally Rajashekharappa*	6	6
4	Mr. Tumbegere Rudrappa (till 6 th September, 2024)	6	3

*Mr. Thappagondanahally Rajashekharappa, who was a Member of the Audit Committee, ceased to be an Independent Director of the Company with effect from July 16, 2025. Subsequently, Mr. Achal Kapoor was appointed as a Member of the Audit Committee with effect from the same date.

II. NOMINATION AND REMUNERATION COMMITTEE: The Company has constituted Nomination and Remuneration in accordance with the provisions of law.

a. Terms of Reference

- The Remuneration Committee recommends on remuneration package including pension rights and any compensation payment of the Managing Director to the Board for approval.
- To formulate criteria for determining qualifications, positive attributes and independence of a director.
- To recommend the Board a policy, relating to the remuneration of the Directors, Key Managerial personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity;

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, etc.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

b. Composition, names of members and Chairperson

The Nomination and Remuneration Committee with three Non-Executive Directors, including two Independent Directors namely,

Sl.No.	Name of the Director	Position	Designation
1	Mrs. Hima Bindu Sagala (from 6 th September, 2024)	Chairman	Independent Director
2	Mrs. Swathi Shamanur (from 5 th May, 2024)	Member	Non-Executive Director
3	Mr. Thappagondanahalli Rajashekharappa*	Member	Independent Director
4	Mrs. Rekha Ganesh (till 4 th May, 2024)	Member	Non-Executive Director
5	Mr. Tumbegere Rudrappa (till 6 th September, 2024)	Member	Independent Director
6	Mr. Achal Kapoor*	Member	Independent Director

*Mr. Thappagondanahalli Rajashekharappa, who was a Member of the Nomination and Remuneration Committee, ceased to be an Independent Director of the Company with effect from July 16, 2025. Subsequently, Mr. Achal Kapoor was appointed as a Member of the Nomination and Remuneration Committee with effect from the same date.

(c) Two meetings were held during the financial year ended 31st March, 2025- 19th April, 2024 and 6th September, 2024.

Sl. No.	Name of the Director	Number of Meetings held	Number of Meetings Attended
1	Mrs. Hima Bindu Sagala (from 6 th September, 2024)	2	-
2	Mrs. Swathi Shamanur (from 5 th May, 2024)	2	1

3	Mr. Thappagondanahalli Rajashekharappa*	2	2
4	Mrs. Rekha Ganesh (till 4 th May, 2024)	2	1
5	Mr. Tumbegere Rudrappa (till 6 th September, 2024)	2	2

* Mr. Thappagondanahalli Rajashekharappa, who was a Member of the Nomination and Remuneration Committee, ceased to be an Independent Director of the Company with effect from July 16, 2025. Subsequently, Mr. Achal Kapoor was appointed as a Member of the Nomination and Remuneration Committee with effect from the same date.

(d) Performance Evaluation

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board, its Committees and the Directors was undertaken which included the evaluation of the Board as a whole, Board Committees and peer evaluation of the Directors. The performance of individual directors was evaluated on parameters such as preparation, participation, flow of information, conduct, independent judgement and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors, the Directors being evaluated had not participated.

(e) Succession planning

During the period under review, the Board and the NRC have discussed and reviewed Board composition and succession planning to ensure that the successors for key leadership roles are identified and their performance are also assessed. The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavor to introduce new perspectives while maintaining experience and continuity.

(f) Remuneration Policy

No remuneration is being paid to the Managing Director and Executive Director, no sitting fees is paid to any Director. None of the Non-Executive Directors had any material pecuniary relationship or transaction vis-a-vis the Company during the period under review.

STAKEHOLDERS' RELATIONSHIP COMMITTEE (TRANSFER & SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE):

Stakeholders' Relationship Committee was constituted with one Non-Executive Director and two Independent Directors, the committee met twice during the year 2024-25 on 5th March, 2024 and 9th November, 2024.

Sl. No	Name of the Director	Position	Designation
1	Mrs. Hima Bindu Sagala (from 6 th September, 2024)	Chairman	Independent Director
2	Mrs. Swathi Shamanur (from 5 th May, 2024)	Member	Non-Executive Director
3	Mrs. Vinita Dilip Modak	Member	Independent Director
4	Mr. Thappagondanahalli Rajashekharappa (till 6 th September, 2024)	Chairman	Independent Director
5	Mr. Tumbegere Rudrappa (till 6 th September, 2024)	Member	Independent Director

Sl. No	Particulars	Remarks
1	Name & Designation of the Compliance Officer	Ms. Uma Singh, Company Secretary and Compliance Officer*
2	Number of Shareholders complaints received during the financial year	Nil
3	Number of complaints not solved to the satisfaction of shareholders	Not applicable
4	Number of pending share transfers	Nil

*Miss Nidhi Vaswani resigned from the position of Company Secretary and Compliance Officer with effect from 20th May, 2025. Subsequently, Miss Uma Singh was appointed as the Company Secretary and Compliance Officer with effect from 16th June, 2025.

III. COMMITTEE OF CORPORATE SOCIAL RESPONSIBILITY:

(a) Terms of Reference:

- (i) Formulate and recommend the CSR Policy and any amendments therein to the Board of Directors of the Company,
- (ii) Develop and approve various CSR projects, programs and activities to be undertaken from time to time either directly by the Company or through other entities,
- (iii) Determine modalities of execution of such CSR projects, programs and activities,
- (iv) Undertake all necessary steps to implement the CSR activities,
- (v) Authorize and approve CSR expenditure from time to time subject to the limits approved by the Board of Directors,

- (vi) Monitor the CSR activities in such manner as it deems fit,
- (vii) Carry out all such acts, deeds, matters and things as may be required in connection with aforesaid matters and generally for any matter connected with the CSR policy of the Company,
- (viii) To perform such functions as may be entrusted by the Board of Directors from time to time.

(b) Composition, names of members and Chairperson

Sl.No.	Name of the Director	Position	Designation
1	Mr. Thappagondanahalli Rajashekharappa*	Chairman	Independent Director
2	Mr. Achal Kapoor*	Chairman	Independent Director
3	Mrs. Swathi Shamanur (from 5 th May, 2024)	Member	Non-Executive Director
4	Mrs. Vinita Dilip Modak	Member	Independent Director
5	Mrs. Rekha Ganesh (till 4 th May, 2024)	Member	Non-Executive Director
6	Mr. Tumbegere Rudrappa (till 6 th September, 2024)	Chairman	Independent Director

*Mr. Thappagondanahalli Rajashekharappa, who was a Chairman of the Corporate Social Responsibility Committee, ceased to be an Independent Director of the Company with effect from June 16, 2025. Subsequently, Mr. Achal Kapoor was appointed as a Chairman of the Corporate Social Responsibility Committee with effect from the same date.

b) The Committee met once during the year on 09th November, 2024

Sl.No.	Name of the Director	Number of Meetings held	Number of Meetings Attended
1	Mr. Thappagondanahalli Rajashekharappa*	1	1
2	Mrs. Swathi Shamanur (from 5 th May, 2024)	1	1
3	Mrs. Vinita Dilip Modak	1	1

Particulars of senior management of the Company as on 31st March 2025:

Sl.No.	Name	Functional Head/ Area of responsibility
1	Revanasiddappa.M	General Manager (Sugar)
2	Prakash V.R	General Manager (Cane)

3	Devaraj .S	General Manager (Co-gen)
4	Anandan .P*	General Manager (Distillery Unit)

*Mr. Anandan Palaniappan has resigned from the position of General Manager – Distillery, Senior Managerial Personnel, with effect from the close of business hours on 14th August 2025. Subsequently, Mr. Sheshagiri Rao has been appointed as General Manager – Distillery and designated as Senior Management Personnel of the Company, with effect from 14th August 2025.

(i) Remuneration of Directors

(in Lacs)

Sl.No.	Name of the Director	Designation	Salary
1	Shamanur Shivashankarappa Ganesh	Managing Director	Nil
2	Abhijith Ganesh Shamanur	Executive Director	Nil

(ii) General Body Meetings

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

Location	Date	Time
• Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	30.09.2024	11.30 A.M.
• Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	29.08.2023	11.00 A.M.
• Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere	29.09.2022	11.00 A.M.

(b) whether any special resolutions passed in the previous three annual general meetings; Yes

The details of the special resolutions passed in the previous three Annual General Meetings (AGM) are:

At the Annual General Meeting held on 30th September, 2024

1. Re-appointment of Mr. Shamanur Shivashankarappa Ganesh as the Managing Director of the Company.
2. Appointment of Ms. Vinita Dilip Modak as an Independent Director of the Company.
3. Appointment of Mrs. Hima Bindu Sagala as an Independent Director of the Company.

At the Annual General Meeting held on 29th August, 2023: Nil

At the Annual General Meeting held on 29th September, 2022: Nil

(c) Whether Special Resolutions were put through Postal Ballot last year: No

(d) Persons who conducted the Postal Ballot exercise: Not applicable

(e) whether any special resolution is proposed to be conducted through postal ballot: Not applicable

(f) procedure for postal ballot: Not applicable

(iii) Means of Communication

(a)	Financial Results and other Communications	Quarterly & Annual Results are published in prominent daily newspapers viz. Indian Express and Nagarvani. The results are also posted on the Company's website:
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		https://davangeresugar.com/financials/ Advertisements relating to demat of Shares , AGM related compliances, etc. are published in Indian Express and Nagarvani.
(b)	News Releases	Official news releases that carry material information as per the Company's policy for determination of materiality of events or information, are sent to stock exchanges as well as displayed on the Company's website: www.davangeresugar.com .
(c)	Website	The Company's corporate website www.davangeresugar.com provides comprehensive information about its portfolio and the industry in which it operates. Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience. The quarterly shareholding pattern of the Company is available on the website of the Company as well as the stock exchanges. The entire Annual Report including Accounts of the Company are available in downloadable formats.
(d)	Filing with Stock Exchanges	Information to Stock Exchanges is being a filed on BSE and NSE through their online portals respectively.
(e)	Annual Report and Annual General Meeting	Annual Report is circulated to the members and all others like auditors and other stake holders. The Annual Report is e-mailed to all members who have registered their email ids with the Company and to those shareholders who request for the same. The Annual Report would also be made available on the website of the Company. The Chairman suitably responds to the queries raised by the shareholders during the AGM.
(f)	Management Discussion & Analysis	This forms a part of the Annual Report which is mailed to the shareholders of the Company.

(iv) General Shareholder Information

Sl.No.	Particulars	Remarks
(a)	AGM Date and Venue Time	The Annual General Meeting of the Company will be convened on Tuesday, 30 th September 2025 at 11:00 a.m. at Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere -577004
(b)	Financial Year Annual General Meeting	1 st April, 2024 to 31 st March, 2025 30 th September, 2025
(c)	Dividend Payment Date:	N.A.
(d)	Listing of equity shares on Stock Exchanges:	The shares of the Company are listed on BSE Limited (BSE) and NSE Limited (NSE) The Company has paid the Listing Fees for the year 2025-26 to BSE and NSE.

(e)	Registrar and Transfer Agents:	Integrated Registry Management Services Private Limited. CIN No: U74900TN2015PTC101466 Address: No. 30, Ramana Residency, 4th Cross, Sampige Road Malleswaram, Bangalore - 560003 Tel: +91-80-23460815-818 Fax: +91-80-2346081															
(f)	Share Transfer System:	Pursuant to SEBI notification dated 24th January 2022, requests for effecting transfer of securities in physical form, shall not be processed by the Company.															
(g)	Distribution of Shareholding as on 31 st March 2025:	Provided as under															
(h)	De-materialization of shares and liquidity:	<p>The Company's Shares are required to be compulsorily traded in the Stock Exchanges in dematerialized form.</p> <p>The number of shares held in dematerialized and physical mode as on 31st March 2025 is as under:</p> <table border="1"> <thead> <tr> <th>Issued Capital</th><th>No. of Shares Cap.</th><th>% of Total Issued</th></tr> </thead> <tbody> <tr> <td>CDSL</td><td>412959247</td><td>43.89%</td></tr> <tr> <td>NSDL</td><td>517944053</td><td>55.05%</td></tr> <tr> <td>Physical</td><td>9933820</td><td>1.06%</td></tr> <tr> <td>TOTAL</td><td>940837120</td><td>100.00</td></tr> </tbody> </table> <p>Shareholders may dematerialize their shareholding by anyone of the Depositories namely NSDL and CDSL.</p>	Issued Capital	No. of Shares Cap.	% of Total Issued	CDSL	412959247	43.89%	NSDL	517944053	55.05%	Physical	9933820	1.06%	TOTAL	940837120	100.00
Issued Capital	No. of Shares Cap.	% of Total Issued															
CDSL	412959247	43.89%															
NSDL	517944053	55.05%															
Physical	9933820	1.06%															
TOTAL	940837120	100.00															
(i)	Outstanding GDRs / ADRs / Warrants or any convertible instruments:	The company has not issued any GDRs/ADRs/Warrants or any convertible instruments.															
(j)	Plant Locations:	Sugar Unit & Co-generation Unit Kukkuwada Village, Davangere taluk & District, Karnataka State – 577 525															
(k)	Address for Correspondence:	Davangere Sugar Company Limited, Kukkuwada Village, Davangere taluk & District, Karnataka State- 577 525															
(l)	Credit Rating:	The Company has not obtained any credit ratings during the financial year.															

Distribution of Shareholding as on 31st March, 2025:

Shareholding	Shareholders		Shares	
	Number	% to Total	Number	% to Total
(1)	(2)	(3)	(4)	(5)
Upto 500	97814	60.53	14314921	1.52
501 - 1000	24280	15.03	20892704	2.22
1001 - 2000	16517	10.22	25542791	2.71
2001 - 3000	6589	4.08	16978599	1.80
3001 - 4000	3271	2.02	11822159	1.26
4001 - 5000	3388	2.10	16203502	1.72
5001 - 10000	5297	3.28	40226555	4.28
10001 and above	4438	2.75	794863389	84.48
Total	161594	100.00	940844620	100.00

Details of shares transferred to/ released from Suspense Escrow Demat account during the financial year ended 31st March 2025 are as under:

Particulars	No. of shareholders	No. of shares
aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	8,488	89,28,990
number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	33	69,717
number of shareholders to whom shares were transferred from suspense account during the year;	33	69,717
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	8,455	8,85,92,730
that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	8,455	8,85,92,730

Other Disclosures:**(a) Disclosures on materially significant related party transactions :-**

There were no transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of Company at large.

(b) Details of non-compliances by the company, Penalties ,Strictures imposed on the Company:- NIL

(c) VIGIL MECHANISM:

The Company has a Whistle Blower Policy in place which provides whistle blowers an opportunity to raise concerns relating to reportable matters as defined in the policy.

The mechanism adopted by the Company encourages the whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of whistle blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee. No complaints were received under this policy during the year.

The policy is available on the Company's website at davangeresugar.com/wp-content/uploads/2023/06/Whistleblower-Policy.pdf

(d) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS;

All mandatory requirements relating to Corporate Governance under the SEBI Listing Regulations have been appropriately complied with and the status of discretionary requirements is given below:

- i. The Board: The Company has an Executive Chairman, the requirement regarding Non-Executive Chairman is not applicable;
- ii. Shareholder Rights: The quarterly, half yearly and annual financial results are published in newspapers and also uploaded on the Company's website;
- iii. Modified Opinion(s) in Audit Report: The Auditor's opinion on the Financial Statements for financial year 2024- 25 is unmodified;
- iv. Separate posts of Chairperson and CEO: Since the Company does not have a CEO, the requirement regarding separate posts of the Chairperson and CEO is not applicable;
- v. Reporting of Internal Auditor: "The Internal Auditor of the Company presents its reports to the Audit Committee and makes detailed presentations on the key findings and observations.
- vi. Independent Directors: A separate meeting of Independent Directors was held on 14th February 2025.

(e) SUBSIDIARY COMPANIES:

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

(f) RELATED PARTY TRANSACTIONS DURING THE PERIOD:

All related party transactions have been entered into in the Ordinary course of business and were placed periodically before the Audit Committee and the Board for their consideration and approvals. All transactions with the related parties or others were on arm's length basis. The Company does not have any material related party transactions in FY 2024-25. The policy on dealing with related party transaction can be viewed at [Related-Party-Transaction-Policy.pdf](#). The approval for Material RPTs has been placed before shareholders for FY 2025-26 for their approvals.

(g) DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

Commodities form a major part of business of the Company and hence commodity price risk is one of the important risks for the Company. The Company has a robust mechanism in place to protect the Company's interest from risks arising out of market volatility.

(h) DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A).

The Company has not raised any funds from preferential allotment or qualified institutions placement during the financial year 2024-25.

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

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

(j) TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY TO THE STATUTORY AUDITOR AS A STANDALONE ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART: Rs. 2,50,000**(k) DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Particulars	Number of Complaints
a. number of complaints filed during the financial year	NIL
b. number of complaints disposed of during the financial year	NIL
c. number of complaints pending as on end of the financial year	NIL

(l) DISCLOSURE OF ACCOUNTING TREATMENT:

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

(m) INSIDER TRADING:

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

The policy is available at <https://davangeresugar.com/wp-content/uploads/2023/06/Insider-Trading-Policy.pdf>

(n) CODES AND POLICIES WEBLINK:

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

(o) DETAILS OF MATERIAL SUBSIDIARIES.

The Company does not have any material subsidiaries as on 31st March, 2025.



(p) DECLARATION BY CEO/MD OFFICER PURSUANT TO SCHEDULE V CLAUSE (D) OF SEBI LODR: Attached as annexure to this report



CODE OF BUSINESS CONDUCT AND ETHICS
(DECLARATION BY CEO/MD OFFICER PURSUANT TO SCHEDULE V CLAUSE (D) OF SEBI LODR)

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

Dear Sirs/Madam,

I do hereby certify that all the Members of the Board of Directors of the Company and the Senior Management Personnel have affirmed their compliance with the Code of Conduct laid down by the Board of Directors of the Company.

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

By the Order of Board
For Davangere Sugar Company Limited

Date: 8th September, 2025
Place: Davangere

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

Annexure VIII

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,
Davangere Sugar Company Limited
73/1, P.B. No. 312, Shamanur Road,
Davangere, Karnataka- 577004

We have examined the relevant registers, records, forms, returns, declarations and other disclosures received from the Directors of Davangere Sugar Company Limited, having CIN : L37100KA1970PLC001949 and having registered office situated at 73/1, P.B. No. 312, Shamanur Road, Davangere, Karnataka-577004 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by us & explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities:

Sr. No.	Name of Director	DIN	Date of Appointment in the Company
1.	Mr. Shamanur Shivashankarappa Ganesh	00451383	31/10/2000
2.	Mr. Abhijith Ganesh Shamanur	03451918	30/08/2019
3.	Ms. Swathi Shamanur	10596097	19/04/2024
4.	Ms. Hima Bindu Sagala	09520601	06/09/2024
5.	Ms. Vinita Dilip Modak	10763274	06/09/2024
6.	Mr. Achal Kapoor	09150394	16/07/2025
7.	*Smt. Rekha Ganesh	02764230	25/09/2009

9.	*Mr. Tumbegere Rudrappa	08717189	04/10/2019
8.	*Mr. Thappagondanahally Rajashekarappa	08794960	16/07/2020

Note:- Smt. Rekha Ganesh resigned w.e.f May 4, 2024 as a Non-Executive Director , Mr. Tumbegere Rudrappa resigned w.e.f October 4, 2024 as an Independent Director and Mr. Thappagondanahally Rajashekarappa resigned w.e.f July 16, 2025 as an Independent Director.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code: P1996MH007500)**

**Ashwini Inamdar
Partner**

**FCS No: F 9409
CP No.: 11226**

**Place: Mumbai
Date: September 8, 2025**

**UDIN: F009409G001200599
PR No. 3686/2023**

DAVANGERE SUGAR COMPANY LIMITED

KUKKUWADA-577525

CIN : L37100KA1970PLC001949



AUDIT REPORT FINANCIAL YEAR 2024-2025

REGISTERED OFFICE

**No. 73/1, P.B. No. 312,
Shamanur Road, Davangere-577004
Karnataka**

INDEPENDENT AUDITOR'S REPORT**TO MEMBERS OF
DAVANGERE SUGAR COMPANY LIMITED****Report on the Indian Accounting Standards (Ind AS) Financial Statements****Opinion**

We have audited the accompanying financial statements of **Davangere Sugar Company Limited**, which comprise the Balance Sheet as at **31st March, 2025**, and the Statement of Profit and Loss (Including Other Comprehensive Income) and Cash Flow Statement and the statement of Changes in Equity for the period ended, and a summary of 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 except as mention below:



Sr No.	Key Audit Matters	Auditor's response
1.	<p>Determination of net realizable value of inventory of sugar as at the year ended March 31, 2025. As on March 31, 2025, the Company has inventory of sugar with the carrying value 3265.37 Lakhs. The inventory of sugar is valued at the lower of cost and net realizable value.</p> <p>We considered the value of the inventory of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, fluctuation in selling prices and the related notifications of the Government in determination of net realizable value.</p>	<p>Principal Audit Procedures :</p> <p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar.</p> <p>We considered various factors including the actual selling price prevailing around and subsequent to the year-end minimum selling price & monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole. Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year end and comparison with cost for valuation of inventory, is considered to be reasonable.</p>

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, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

Auditor's Responsibility

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 skepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the 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 of India in terms of section 143(11) of the Act, we give in "**Annexure A**", a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet and Statement of Profit and Loss including Other Comprehensive Income Statement of Cash Flow and Statement of Changes of Equity dealt with this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Financial Statement comply with the Accounting Standards specified under Section 133 of Act, read with relevant rule issued thereunder.
 - e. On the basis of written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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 operating effectiveness of such controls, referred to our separate report in "**Annexure B**".



- 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.

- h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- (a) The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note (vii) of Annexure - A to the financial statements
- (b) The Company did not have any long-term and derivative contracts as at March 31, 2025.
- (c) There has been no delay in transferring amounts, required to be transferred, the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
- (d) The management has;
 - (i) represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



(ii) represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.

(e) The company has not neither declared nor paid any dividend during the year under Section 123 of the Act.

(f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2024 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, The Company has used accounting software 'ERP - AISUGAR , Windows Server 2012 R2' for maintaining its books of account which has a feature of recording audit trail facility and the same has been operated throughout the period for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Place: Mumbai
Date: 14th May 2025

FOR D G M S & Co.,
Chartered Accountants


Hiren J. Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 25115279BBIQBB1270



**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE
FINANCIAL STATEMENT OF DAVANGERE SUGAR COMPANY LIMITED FOR
THE YEAR ENDED 31ST MARCH 2025**

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

(i) Property, Plant & Equipment and Intangible Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- b) The Company has maintained proper records showing full particulars of intangible assets.
- c) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; Any material discrepancies were noticed on such verification and if so, the same have been properly dealt with in the books of account.
- d) According to the information and explanation given to us the title deeds of all the immovable properties. (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- f) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) Inventory and working capital:

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, inventory has been physically verified during the year by the Management at reasonable intervals, except stock lying with third parties. Confirmations of such stocks with third parties have been obtained by the Company in most of the cases. No discrepancies were noticed on verification



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between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned/renewal working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) Investments, any guarantee or security or advances or loans given:

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security but granted advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year as mention below:

1. The Company has not provided any loans or advances in the nature of loans. But company has extended Corporate Guarantee against the H&T loans sanctioned to the individual contractors for harvesting and transportation of sugarcane to the factory gate. The CG is extended to the extent of Rs.23 crores to Canara Bank, Rs. 6.80 crores in favour of suppliers against the supplu of raw material, Rs. 1.76 crores to OMCs (Oil Marketing Companies) against the supply of ethanol and Rs.8.00 crores to State Bank of India, Davangere. Except these, company has not extended any kind of guarantee to any other entity during the year.
2. In our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
3. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.
4. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.



5. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
6. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(6) is not applicable.

(iv) Loan to directors:

- a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

(v) Deposits:

- a) The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any relevant provisions of the 2013 act and the rules framed there under to the extent notified.

(vi) Maintenance of Cost Records:

- a) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) Statutory Dues:

- a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, GST, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31/03/25 for a period of more than six months from the date they became payable.



- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, GST, excise duty and cess which have not been deposited on account of any dispute except the following.

Name of the Authority	Nature of Dues	Amount (In Lacs)	Year of Demand	Forum where dispute is pending
The customs Act 1944	Customs duty demanded on import	77.04	2014	Supreme court. Proceedings have been commenced.
The customs Act 1944	Customs duty demanded on import	122.30	2014	CESTAT Bengaluru
Indian Income Tax Act, 1961	Stock difference of Rs.2,06,88,995/- at the time of survey on 26.07.2016	Not quantified	AY 2017-18	Department has gone for appeal against the orders of DCIT, who has reduced the loss to the extent of stock difference and tax refund was reduced. Company is contesting the appeal
Commissioner of Central Tax, Central Excise Act and Service Tax, Bengaluru	Excise Duty on exempted turnover on sale of power	Rs.33.25 Rs.158.46	2024	Before the Joint Commissioner of Central Tax, North West Commissionerate, Bengaluru – proceedings yet to start
GST Audit Order dated 27.02.2025 passed by the Assistant Commissioner of Commercial Taxes (Audit-5), Davangere.	GST Input Credit was disallowed and GST levied on Corporate Guaranty extended by the company in favor of farmer contractor	Rs.57.95	2025	Company is filling Appeal before the GST Appellate Authority before the end of June 2025

(viii) Disclosure of Undisclosed Transactions:

- a) There According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) Loans or Other Borrowings:

- a) Based on our audit procedures and according to the information and explanations given to us, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.



- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- 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 has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) Money Raised by IPOs, FPOs:

- 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 convertible debentures (fully or partly or optionally) or made any private placement or further issue of share capital like IPO.s FPO.s or Rights Issue.

(xi) Fraud:

- a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) Company has not committed any offence during the year under audit, under sub-section (12) of section 143 of the Companies Act and filing of Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, is not applicable.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.



(xii) Nidhi Company:

- a) The Company is not a Nidhi Company and hence reporting under Para 3 of clause (xii) of the Order is not applicable.

(xiii) Related Party Transactions:

- a) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind-AS.

(xiv) Internal Audit System:

- 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 and till date, in determining the nature, timing and extent of our audit procedures.

(xv) Non-cash Transactions:

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) Registration under section 45-IA of RBI Act, 1934:

- 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) Cash losses:

- a) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



(xviii) Resignation of statutory auditors:

- a) There has been no resignation of the statutory auditors of the Company during the year.

(xix) Material uncertainty on meeting liabilities:

- a) 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 and 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 indicating 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) Compliance of CSR:


- a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer of Fund specified in Schedule VII to the Companies Act or special account in compliance with provision of sub-section (6) of section 135 of said Act. refer note no. 32 of financial statement.

(xxi) Qualifications Reporting In Group Companies:

- a) In our opinion and according to the information and explanations given to us, company does not have any subsidiaries, associates or joint ventures, so reporting under clause 3(xxi) of the Order is not applicable for the year.

Place: Mumbai
Date: 14th May 2025

**FOR D G M S & Co.,
Chartered Accountants**


**Hiren J. Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 25115279BMIQBB1270**



**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE
FINANCIAL STATEMENT OF DAVANGERE SUGAR COMPANY LIMITED FOR THE
YEAR ENDED 31ST MARCH 2025**

**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 **DAVANGERE SUGAR COMPANY LIMITED**. ('the Company') as of 31st March, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Opinion

We have audited the internal financial control with reference to financial statement of **DAVANGERE SUGAR COMPANY LIMITED**. ('The Company') as of **31st March 2025** in conjunction with our audit of the financial statement of the company at and for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2025, based on the criteria for internal financial control over financial reporting 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 ICAI.

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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 and the Standards on Auditing, issued by the ICAI and deemed to be 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. 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



- c. 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 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.

Place: Mumbai
Date: 14th May 2025

FOR D G M S & Co.,
Chartered Accountants


Hiren J. Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 25115279BMIQBB1270



DAVANGERE SUGAR COMPANY LIMITED

KUKKUWADA-577525

BALANCE SHEET AS AT 31.03.2025

CIN : L37100KA1970PLC001949

(All Figures in LAKHS)

PARTICULARS	Note No.	AS AT 31.03.2025	AS AT 31.03.2024
		Total	Total
I ASSETS			
A) NON -CURRENT ASSETS			
a) Property , Plant and Equipments	1	34,939.71	35,892.80
b) Intangible Assets		1.46	1.36
c) Financial Assets			
i) Investments	2	461.78	455.78
ii) Loans	3	-	-
d) Other Non Current assets:	4	1,987.88	1,987.88
B) CURRENT ASSETS			
a) Inventories	5	14,452.95	12,189.70
b) Financial Assets			
i) Trade Recevables	6	2,871.28	1,842.93
ii) Cash and cash equivalents	7	338.20	342.17
iii) Loans and advances	8	19,203.67	15,454.61
TOTAL		74,256.93	68,167.24
I EQUITY AND LIABILITIES			
A) EQUITY			
a) Share Capital	9	9,408.45	9,408.45
b) Other equity	10	25,573.52	24,589.93
Total Equity		34,981.97	33,998.37
B) LIABILITIES :			
1) NON-CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	11	4,738.10	6,849.09
ii) Deferred Tax Liability	12	140.15	172.63
iii) Other Long Term Liabilities	13	8,575.20	4,690.61
iv) Provisions	14		
2) CURRENT LIABILITIES			
a) Financial Liabilities			
i) Borrowings	15	22,336.83	19,564.78
ii) Trade Payables	16		
- Dues of micro enterprises and small enterprises			
- Dues of Creditor other than micro enterprises and smal enterprises		2,815.24	2,183.27
iii) Other Liabilities	17	663.93	705.48
iv) Provisions	18	5.50	3.00
TOTAL EQUITY AND LIABILITIES		74,256.93	68,167.24

For D G M S & CO
Chartered Accountants

Hiren J Maru
Partner, Membership No.115279
FIRM R.No: 0112187W
DATE : 14.05.2025
Place: MUMBAI
UDIN: 25115279BM19BB1270



Abhijith G Shamanur
Executive Director
[DIN -03451918]

Onkarappa P
Chief Financial Officer

Ganesh S Shamanur
Managing Director
[DIN - 0045183]

Nidhi Hitesh Vaswani
Compliance Officer

DAVANGERE SUGAR COMPANY LIMITED

KUKKUWADA -577525

PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2025

CIN : L37100KA1970PLC001949

(All Figures in LAKHS)

PARTICULARS		Note No.	AS AT 31.03.2025	AS AT 31.03.2024
			Total	Total
I	REVENUE FROM OPERATIONS (GROSS)	19	21,498.53	21,653.05
II	Other Income	20	177.07	643.68
III	Total Income		21,675.60	22,296.72
IV	EXPENSES			
	a) Cost of materials	21	13,349.13	10,753.36
	b) Power and fuel	21	1,006.22	1,891.51
	c) Purchase of Traded Goods	22	-	-
	d) Changes in inventories of finished goods and work in progress	23	(1,441.64)	1,274.53
	e) Employees Benefit Expenses	24	835.79	846.34
	f) Interest on Borrowings	25	2,672.10	2,388.53
	g) Bank Charges	25	147.25	146.73
	h) Depreciation	1	1,269.90	1,195.99
	i) Other Expenses	26	2,550.93	2,354.49
	TOTAL EXPENSES		20,389.69	20,851.48
V	PROFIT / LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		1,285.90	1,445.24
VI	Exceptional Items		-	-
VII	PROFIT / LOSS BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		1,285.90	1,445.24
VIII	Extraordinary Items		-	-
IX	PROFIT / LOSS BEFORE TAX (VII-VIII)		1,285.90	1,445.24
X	TAX EXPENSES			
	a) Minimum Alternative Tax Expense		224.67	252.48
	b) Deferred Tax		(32.48)	(30.97)
	Total	12	192.19	221.52
XI	PROFIT / LOSS FOR THE PERIOD (IX-X)		1,093.71	1,223.72
XII	OTHER COMPREHENSIVE INCOME			
	A (i) Items that will not be reclassified to profit or loss		(10.60)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	TOTAL OTHER COMPREHENSIVE INCOME, NET OF TAX		-	-
XIII	TOTAL COMPREHENSIVE INCOME FOR THE YEAR - (XI-XII)		1,083.11	1,223.72
XIV	i) Items that will be classified to profit and loss ii) Income tax effect on items that will be classified to profit and loss Other comprehensive income for the period /year Total comprehensive income for the year (Net of Tax)		- - - 1,083.11	- - - 1,223.72
XV	Earnings per Share (Basic and Diluted)Rs.		1.16	1.30

For D G M S & CO
Chartered Accountants

Hiren J Maru
Partner, Membership No.115279
FIRM R.No: 0112187W
DATE : 14.05.2025
Place: MUMBAI
UDIN: 25715279BMIQ BB1270



Abhijith G Shamanur
Executive Director
[DIN - 03451918]

Onkarappa P
Chief Financial Officer

Ganesh S Shamanur
Managing Director
[DIN - 0045183]

Nidhi Hitesh Vaswani
Compliance Officer

DAVANGERE SUGAR COMPANY LTD
KUKKUWADA

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2025

CIN : L37100KA1970PLC001949

(All Figures in LAKHS)

Sl.No.	Particulars	As at 31.03.2025	As at 31.03.2024
A	<u>Cash flow from Operating activities:</u>		
	Net profit after tax	1,083.11	1,223.72
	Other comprehensive loss	10.60	-
	Adjustment for provision for taxation	192.19	221.52
		1,285.90	1,445.24
	Adjustment for depreciation	1,269.90	1,195.99
	Operating profit before working capital adjustment	2,555.81	2,641.23
	Adjustment for:		
	Inventories	(2,263.25)	(3,034.30)
	Sundry Debtors & trade receivables	(1,039.38)	289.80
	Trade payables	631.97	634.28
	Deferred Tax	(32.48)	(30.97)
	Others	(310.07)	(252.45)
	Net cash flow from operating activities	(3,013.21)	(2,393.64)
B	<u>Cash flow from Investing Activities:</u>		
	Sale of Fixed Assets	-	-
	Purchase of Fixed Assets	(309.15)	(2,237.86)
	From capital work in progress	0.00	0.00
	From Investments	(6.00)	(51.03)
	Net Cash flow from Investing activities	(315.15)	(2,288.88)
C	<u>Cash flow from Financing activities:</u>		
	Proceeds from share allotment	-	-
	Proceeds from share premium & Capital reserve	-	-
	Proceeds from working capital loan	-	-
	Proceeds from Short Term Borrowings	2,772.05	4,593.47
	Proceeds from Long Term Borrowings	(2,110.98)	(2,642.52)
	Proceeds from Other Long Term Liabilities	0.00	0.00
	Proceeds from Long Term Loans and Advances	0.00	0.00
	Proceeds from Other Current Liabilities	(30.52)	(123.67)
	Proceeds from Short Term Provisions	2.50	3.00
	Proceeds from Short Term Loans and Advances	(3,749.06)	(3,180.72)
	Proceeds from unsecured loan	3,884.59	3,265.80
	Net cash flow from financing activity	768.58	1,915.36
	Net Cash and Cash Equivalents (A+B+C)	(3.97)	(125.94)
	Cash and Cash Equivalents at the beginning of the year	342.17	468.11
	Cash and Cash Equivalents at the end of the year	338.20	342.17

For D G M S & CO
Chartered Accountants



Hiren J Maru
Partner, Membership No.115279
FIRM R.No: 0112187W
DATE : 14.05.2025
Place: Mumbai
UDIN: 25115279BMBI9BB1270

Abhijith G Shamanur
Executive Director
[DIN -03451918]

Onkarappa P
Chief Financial Officer

Ganesh S Shamanur
Managing Director
[DIN - 0045183]

Nidhi Hitesh Vaswani
Compliance Officer

DAVANGERE SUGAR COMPANY LIMITED

KUKKUWADA -577525

CIN : L37100KA1970PLC001949

Statement of Changes in Equity for the year ended 31 March 2025

A. Equity Share Capital

Particulars	Amount in Rs. Lakhs	
	Year ended 31 March 2025	Year ended 31 March 2024
Balance as at beginning of the year	9,408.45	9,408.45
Changes in equity share capital during the year:	-	-
- Issue of share capital during the year	-	-
Balance at the end of the year	9,408.45	9,408.45

B. Other Equity

Particulars	Reserves and surplus					Total
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Revaluation Reserve	General Reserve	
Balance as at 01 April 2023	1,209.47	4.09	5,043.30	15,477.55	59.96	21,794.37
Profit for the year	-	-	2,795.55	-	-	2,795.55
Other comprehensive (loss)/income, net of tax	-	-	-	-	-	-
Total comprehensive income for the year ended 31 March 2024	-	-	2,795.55	-	-	2,795.55
Balance as at 31 March 2024	1,209.47	4.09	7,838.85	15,477.55	59.96	24,589.92
Profit for the year	-	-	1,083.10	-	-	1,083.10
Prior period taxes written off	-	-	(88.90)	-	-	(88.90)
Other comprehensive (loss)/income, net of tax	-	-	(10.60)	-	-	(10.60)
Total comprehensive income for the year ended 31 March 2025	-	-	983.60	-	-	983.60
Balance as at 31 March 2025	1,209.47	4.09	8,822.45	15,477.55	59.96	25,573.52

Note : In accordance with the notification issued by the Ministry of Corporate Affairs dated 24 March 2021, re-measurement of defined benefit plans shall be recognised as a part of retained earnings. Accordingly, re-measurement of defined benefit plans has been disclosed as part of retained earnings.

See accompanying notes forming part of the financial statements

For D G M S & CO
Chartered Accountants



Hiren J Maru
Partner, Membership No.115279
FIRM R.No: 0112187W

DATE : 14.05.2025

Place: Mumbai

UDIN 25715279BM10BB1270

Abhijith G Shamanur
Executive Director
[DIN -03451918]

Onkarappa P
Chief Financial Officer

Ganesh S Shamanur
Managing Director
[DIN - 0045183]

Nidhi Hitesh Vaswani
Compliance Officer

NOTES TO FINANCIAL STATEMENTS

NOTE 1 : NON - CURRENT ASSETS		
	AS AT 31.03.2025	AS AT 31.03.2024
A Property , Plant And Equipments Schedule 'Annexed'	34,939.71	35,894.16
B Intangible Assets	1.46	
TOTAL	34,941.17	35,894.16

NOTE 2 : NON - CURRENT INVESTMENTS		
	AS AT 31.03.2025	AS AT 31.03.2024
A NON-TRADE (QUOTED- AT COST)	-	-
B NON-TRADE (UN QUOTED- AT COST)		
I IN GOVERNMENT SECURITIES:	0.20	0.20
II INVESTMENTS		
a) Shares with DSCL Employee's Co-operative Society (500 Shares of Rs.10/- each)	0.05	0.05
b) Shares with Bapuji Co-operative Bank Limited, (200 Shares of Rs.50/- each)	0.10	0.10
c) Shares with Davangere Harihar Urban Co-operative Bank Limited, (1001 Shares of Rs.1000/- each)	10.01	10.01
d) Shares with Chitradurga District Co-operative Bank Limited, (902800 Shares of Rs.50/- each)	451.40	445.40
e) Shares with SVC Bank Limited (25 Shares of Rs.100 each)	0.03	0.03
III OTHER INVESTMENTS	-	-
TOTAL	461.78	455.78

NOTE 3 : LOANS AND ADVANCES		
	AS AT 31.03.2025	AS AT 31.03.2024
ADVANCES:		
Advance against Harvesting & Transportation with roll over facility	-	-
TOTAL	-	-

NOTE 4 : OTHER NON CURRENT ASSETS:		
	AS AT 31.03.2025	AS AT 31.03.2024
I M A T Credit Entitlement	1,987.88	1,987.88
TOTAL	1,987.88	1,987.88

NOTE 5 : INVENTORIES		
	AS AT 31.03.2025	AS AT 31.03.2024
A FINISHED GOODS:		
I Sugar	3,265.37	2,458.53
II Molasses	3,031.52	1,370.30
III Anhydrous Ethanol Finished Goods Ltrs	424.45	1,177.64
IV Stock Of Bagasse		
B RAW MATERIALS		
I Maize	2,570.18	2,687.46
II Bagasse	-	273.24
III Coal	3,124.85	3,440.48
C STORES, SPARES, AND COMPONENTS	2,036.57	782.06
TOTAL	14,452.95	12,189.70



NOTE 6 : TRADE RECEIVABLES:		
	AS AT 31.03.2025	AS AT 31.03.2024
A Trade Receivables- Unsecured, Considered good	2,882.31	1,842.93
Trade Receivables which have significant increase in Credit Risk	-	-
Less : Allowance for expected credit loss	11.04	-
Total	2,871.27	1,842.93
Of the above, trade receivables from:		
- Related Parties	-	-
- Others	-	-
TOTAL	2,871.27	1,842.93

B The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) Model. The reconciliation of ECL is as follows:		
Particulars	AS AT 31.03.2025	AS AT 31.03.2024
Balance at beginning of the year	-	-
Movement in credit loss allowance on trade receivables calculated at expected credit losses/additional provision	11.04	-
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	-	-
Balance at end of the year	11.04	-
TOTAL	11.04	-

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward - looking information. The expected credit loss allowance is based on the ageing of the receivables (other than related parties) from the date of the invoice and the rates are given in the provision matrix as per which trade receivables aged (from date of invoice) beyond 3 years are provided entirely, age of 2 to 3 years is provided 50%, age of 1 to 2 years at 25% and no provision is made upto 1 year. Additional provision, where required, has been made based on specific debtors and other conditions impacting recoverability. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables is adequate.

There are no trade or other receivables due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables due from firms or private companies respectively in which any director is a director, partner or member, except as disclosed above.

Trade receivables ageing schedule:							Amount in Rs. Lakhs
Outstanding for following periods from due date of payment							
Particulars	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
AS AT 31.03.2025							
(i) Undisputed Trade receivables - considered good	-	2,226.94	629.47	5.46	9.22	0.17	2,871.26
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	1.82	9.21	-	11.03
(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	-	2,226.94	629.47	7.28	18.43	0.17	2,882.29

Amount in Rs. Lakhs							
Outstanding for following periods from due date of payment							
Particulars	Unbilled	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
AS AT 31.03.2024							
(i) Undisputed Trade receivables - considered good	-	1,817.12	7.28	18.43	0.17	-	1,843.00
(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	-	1,817.12	7.28	18.43	0.17	-	1,843.00



NOTE 7 : CASH AND CASH EQUIVALENTS			
		AS AT 31.03.2025	AS AT 31.03.2024
A	BALANCE WITH BANKS		
I	In Current Account with Schedule Banks	149.14	137.58
II	In Current Account with Non Schedule Banks	10.98	9.86
B	Cash on hand	11.29	35.92
C	Bank deposit with maturity of less than 3 months	166.79	158.81
TOTAL		338.20	342.17

NOTE 8 : SHORT TERM LOANS AND ADVANCES			
		AS AT 31.03.2025	AS AT 31.03.2024
I	Sundry Deposit (Refer a)	52.60	52.64
II	In Deposit with Central Excise/ Customs Department		
a	Differential Customs Duty Paid on Helicopter (disputed)	-	-
b	Advance Excise Duty on Sugar / Molasses/ others	546.77	907.78
III	Advances recoverable in cash or in kind (Refer b)	18,271.41	14,161.31
IV	Preliminary & Preoperative Expenses	332.89	332.89
TOTAL		19,203.67	15,454.61

a Sundry Deposit			
Particulars		AS AT 31.03.2025	AS AT 31.03.2024
Security Deposit :			
-Rental		1.05	1.05
-Others Deposits		51.55	51.59
Total		52.60	52.64

b Loans and Advances			
Particulars		AS AT 31.03.2025	AS AT 31.03.2024
Cane Development Investment		-	0.05
Advance Against Fertilizers, Seeds & Pesticides		-	1,842.38
Advance Sugar Cane Seeds Supply		-	1,020.13
Advance To Farmers Against Cane Supplies		-	8,251.23
Input Loan (Pesticides)		2.15	1.88
Miscellaneous Advance To Others		1.77	1.74
Union Fee		(0.05)	(0.04)
Dscl Employees Co-Op Society		0.67	0.67
Interest Recoverable/Receivable From Term Deposits		4.42	3.15
Sundry Creditors-For Others		-	1.84
Late Crushing Incentives Receivable		-	0.17
Miscellaneous Advance To Others (Csa)		104.51	70.93
Miscellaneous Advance To Others (Cane)		0.65	0.65
Input Loan 2019-20		0.10	0.10
Input Loan 18-19		4.02	4.02
Input Loan 20-21		0.36	0.36
Input Loan 21-22		4.05	4.05
Input Loan 22-23		4.26	18.63
Input Loan 23-24		4.34	28.34
Input Loan 24-25		60.01	-
Existing Farmers Seeds Supply		6,241.29	-
New Farmers Cane Advance		2,751.42	-
Existing Farmers Cane Advance		2,654.00	-
H & T Contractors Advance		2,113.08	-
New Farmers Seeds Supply		3,135.56	-
Prepaid Insurance		60.91	-
Prepaid Advances		1.71	-
H & T Materials Recoverable		(0.25)	(0.27)
Security Deposit For Ethanol Sale		37.50	120.67
Advance Against Cane Bills		166.85	54.14



Income Tax Refund Due (Ay 2014-15)	-	87.42
Tds On Income Received	23.41	19.85
Miscellaneous Advance Staff	1.38	0.89
Cane Seed Cost Recoverable	-	0.11
Advance Income Tax	0.01	0.01
Sundry Deposits With Others	0.50	0.50
Rent Receivable	-	0.03
Cane Seeds Advance	0.23	0.23
Advance Against Harvesting & Transportation	-	1,650.42
Interest Subsidy Recoverable	625.32	418.36
Ethanol Subsidy Receivable From Karnataka State Govt	257.24	558.66
Aviation Division Tds Setteled	9.21	-
Gratuity Fund	0.78	-
	-	-
TOTAL	18,271.41	14,161.31

NOTE 9 : SHARE CAPITAL

	AS AT 31.03.2025	AS AT 31.03.2024
Authorised Share Capital : 1,500,000,000 Equity Shares of Rs. 1/- each	15,000.00	10,000.00
Issued , Subscribed and Paid-up Capital : 940,844,620 Equity Shares of Rs. 1/- each	9,408.45	9,408.45
TOTAL	9,408.45	9,408.45

Disclosures:

1 All the Equity Shares carry equal rights and obligations including for dividend and with respect to voting rights.

2.Names of share holders holding more han 5% of the Share capital and their share holdings.

Sl. No.	Name of the Share Holder	% of Holding	No. of Shares	No. of Shares
1	S S GANESH	27.02	254,238,056.00	40,094,148.00
2	ABHIJITH GANESH SHAMANUR	7.35	69,147,240.00	6,914,724.00
3	REKHA GANESH	6.47	60,862,000.00	6,086,200.00
4	M/S MAFATLAL PLAYWOOD INDUSTRIES LIMITED	8.50	80,000,000.00	8,000,000.00

NOTE 10 : RESERVES AND SURPLUS		
	AS AT 31.03.2025	AS AT 31.03.2024
1 Capital Reserve: Balance at the beginning and end of the year	4.07	4.07
2 Securities Premium Reserve : Balance at the beginning and end of the year	1,209.47	1,209.47
3 Revaluation Reserve	15,477.55	15,477.55
4 General Reserve : Balance at the beginning and end of the year	59.96	59.96
5 Surplus : Balance brought forward from previous year	8,387.17	5,680.91
Add : Mat Credit Entitlement of past years	-	1,319.34
Add : Mat Credit Entitlement of current years	-	252.48
Add: Transfer from the Statement of Profit and Loss Account for the year	1,083.11	1,223.72
Total 5(a)	9,470.28	8,476.46
Other Comprehensive Impairments	(647.81)	(637.58)
	-	-
Balance available for Appropriations	8,822.47	7,838.88
Appropriations:		
Balance carried forward to next year	25,573.52	24,589.93
TOTAL	25,573.52	24,589.93



NOTE 11 : LONG TERM BORROWINGS		AS AT 31.03.2025	AS AT 31.03.2024
A	Secured:		
1	i Working Capital Term Loan (WCTL)		
	Davangere District Central Co-operative Bank (WCTL)	-	548.78
	State Bank Of India (WCDL)	319.19	537.58
	ii SOFT LOAN:		
	STATE BANK OF INDIA	-	-
	CANARA BANK	-	-
	INDIAN BANK	-	-
	iii GECL-2 LOAN		
	STATE BANK OF INDIA	-	133.65
	CANARA BANK	-	118.75
	INDIAN BANK	2.29	65.24
	iv GECL-2 LOAN (ADDITIONAL)		
	STATE BANK OF INDIA	180.49	290.93
	CANARA BANK	193.81	304.56
	INDIAN BANK	59.86	90.35
	iv ETHANOL PLANT TERM LOAN:		
	Davangere District Central Co-operative Bank	-	0.58
	INDIAN BANK	672.82	810.04
	CANARA BANK	1,702.05	1,931.30
	STATE BANK OF INDIA	1,607.60	1,899.87
	TERM LOAN FOR ETHANOL EXPANSION - SVC-Bank Ltd	-	100.00
	v Vehicles Loans	-	17.48
TOTAL		4,738.10	6,849.09

NOTE 12 : DEFERRED TAX LIABILITIES		AS AT 31.03.2025	AS AT 31.03.2024
Deferred Tax Liability			
a	Deferred Tax Liability - As per Last Balance Sheet	172.63	203.60
b	Net Deferred Tax Liabilities / (Assets) thereon	172.63	203.60
c	Add/Less: Provided for during the previous year (Liability/Asset)	(32.48)	(30.97)
TOTAL		140.15	172.63

NOTE 13 : OTHER LONG TERM LIABILITIES		AS AT 31.03.2025	AS AT 31.03.2024
a)	Unsecured Loan from the Managing Director	8,549.85	4,690.61
b)	Unsecured Loans From Executive Directors	25.35	-
TOTAL		8,575.20	4,690.61

NOTE 14 : LONG TERM PROVISIONS		AS AT 31.03.2025	AS AT 31.03.2024
a)	Provisions for Employees Benefits	-	-
b)	Others:	-	-
TOTAL		-	-



NOTE 15 : SHORT TERM BORROWINGS		
	AS AT 31.03.2025	AS AT 31.03.2024
A Secured:		
Loans repayable on demand		
(i) Cash Credit Loans from Consortium Banks	8,206.31	8,398.09
(ii) OTHER SHORT TERM LOANS:		
a) DDCC Bank Fertilizer and Seeds loan	1,501.31	1,500.87
b) DDCC Bank Short Term Business Loan (Loan on Stock)	5,004.36	4,602.67
c) DDCC Bank Agri Business loan	2,001.74	2,001.16
d) Current maturities of Long Term Liabilities	2,705.86	3,061.98
e) TERM LOAN ETHANOL EXPANSION-DCC	192.03	-
f) LOANS FROM DIRECTORS REPAYABLE	1,400.00	-
g) AXIS BANK(MAIZE PLEDGE)	1,124.73	-
H) DHUC - Short term business loan	200.49	-
B Un-Secured:	-	-
TOTAL	22,336.83	19,564.78

NOTE 16 : TRADE PAYABLES		
	AS AT 31.03.2025	AS AT 31.03.2024
Trade Payables		
- Dues of micro enterprises and small enterprises	2,815.18	2,183.27
- Dues of Creditor other than micro enterprises and small enterprises	-	-
TOTAL	2,815.18	2,183.27

Ageing of Payables :

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2025							
(i) MSME	-	-	-	-	-	-	-
(ii) Related parties and others	-	-	2,785.94	25.59	2.64	-	2,815.17
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Related parties and others	-	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	-	-
Total	-	-	2,786.94	25.59	2.64	-	2,815.17

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at 31 March 2024							
(i) MSME	-	-	-	-	-	-	-
(ii) Related parties and others	-	-	2,176.41	2.64	1.83	2.06	2,182.94
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Related parties and others	-	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	-	-
Total	-	-	2,176.41	2.64	1.83	2.06	2,182.94

NOTE 17 : OTHER CURRENT LIABILITIES		
	AS AT 31.03.2025	AS AT 31.03.2024
a) Interest accrued and due on Borrowings	-	10.92
b) Advance against Sales	12.25	40.74
c) Statutory Remittances	111.82	12.75
d) Trade or Security Deposits received	54.20	70.08
e) Mat Tax Expenses (Provision)	224.67	252.48
f) Others	260.99	318.51
TOTAL	663.93	705.48



NOTE 18 : SHORT TERM PROVISIONS		
	AS AT 31.03.2025	AS AT 31.03.2024
a) Statutory Audit Fee Payable	4.50	2.50
b) Audit Fee for Internal and/or Payable	0.50	-
c) Tax Audit Fee Payable	0.50	0.50
TOTAL	5.50	3.00

NOTE 19 : REVENUE FROM OPERATIONS		
	AS AT 31.03.2025	AS AT 31.03.2024
A SALE OF PRODUCTS		
I Sale of Sugar:		
a. Domestic sales	5,098.65	9,445.34
b. Export Sales	-	-
c. Subsidy on Sugar Export	-	-
II Sale of Pulver	622.89	1,369.76
III Sale of Ethanol:		
a. Ethanol	13,081.42	8,525.62
b. Ethanol Relief Claim - Additional Price Incentive	-	1.22
c. Sale of ENA	-	1,366.85
d. Sale of DGG	1,715.66	347.82
IV a. Coal Ash	-	0.93
b. Press Mud	14.88	16.76
c. Sale Of Fly Ash	0.98	-
B OTHER OPERATING INCOME		
I a. Miscellaneous sales	62.34	14.69
b. Helicopter Chartering Charges collected	749.60	391.31
c. Freight Recovered from DMCs on sale of Ethanol	242.11	172.77
TOTAL	21,498.53	21,653.05

NOTE 20 : OTHER INCOME		
	AS AT 31.03.2025	AS AT 31.03.2024
A INTEREST INCOME		
a. On Loans To Employees	5.65	20.50
b. On Fixed Deposits With Banks	10.25	7.22
c. Dividends On Co Op Bank Shares	1.82	1.82
B OTHER NON OPERATING INCOME		
a. Rent Received	6.48	0.30
b. Insurance Claims Received	2.31	0.72
c. Subsidy Receivable From Govt. Of Karnataka On Ethanol Sales Turnover	127.87	558.66
d. Sundry Creditors Balance Written Off	8.48	43.72
e. Items Pending In Bank Reconciliation Written Off	-	10.74
f. Discount Received	3.53	-
g. Profit Or Loss On Sale Of Vehicles	2.32	-
h. Sundry Debtors Credit Balances Written Off	8.36	-
TOTAL	177.07	643.68

NOTE 21 : COST OF MATERIALS CONSUMED		
	AS AT 31.03.2025	AS AT 31.03.2024
a. Sugar Cane purchased and consumed (Inclusive of Cane purchase Tax and Other procurement Charges)	5,778.25	9,492.66
b. Consumption of production materials	7,570.88	1,260.70
	13,349.13	10,753.36
c. Steaming Coal purchased and consumed (Inclusive of Duties and Transportation Charges)	1,006.22	1,891.51
TOTAL	14,355.35	12,644.87



NOTE 22 : PURCHASE OF TRADED GOODS			
		AS AT 31.03.2025	AS AT 31.03.2024
		-	-
	TOTAL	-	-

NOTE 23 : (INCREASE) / DECREASE IN INVENTORIES:					
				AS AT 31.03.2025	AS AT 31.03.2024
A	FINISHED GOODS				
	a) Opening Stock:				
	Sugar			2,458.53	3,674.21
	Molasses			1,370.30	2,575.56
	Anhydrous Ethanol Finished Goods			1,177.64	304.47
	Bagasse			273.24	-
	Total			5,279.70	6,554.24
	b) Closing Stock:				
	Sugar			3,265.37	2,458.53
	Molasses			3,031.52	1,370.30
	Anhydrous Ethanol Finished Goods			424.45	1,177.64
	Bagasse			-	273.24
	Total			6,721.34	5,279.70
	(a)-(b)			(1,441.64)	1,274.53
A	WORK IN PROGRESS:				
	a) Opening Stock:				
	Sugar			-	-
	Molasses			-	-
	Total			-	-
	b) Closing Stock:				
	Sugar			-	-
	Molasses			-	-
	Total			-	-
	(a)-(b)			-	-
	GRAND TOTAL			(1,441.64)	1,274.53

NOTE 24 : EMPLOYEE BENEFIT EXPENSES					
				AS AT 31.03.2025	AS AT 31.03.2024
a	Salaries, wages and allowances			731.05	737.92
b	Contribution to Provident fund and Other funds			55.63	63.87
c	Staff Welfare Expenses			49.12	44.54
	TOTAL			835.79	846.34

NOTE 25 : FINANCE COSTS					
				AS AT 31.03.2025	AS AT 31.03.2024
a	Interest Expenses			2,672.10	2,388.53
b	Other Borrowings Costs			147.25	146.73
	TOTAL			2,819.35	2,535.27



NOTE 26 : OTHER EXPENSES		AS AT 31.03.2025	AS AT 31.03.2024
a	Selling and Distribution Expenses		
	Packing and storage expenses	73.54	110.28
	Supply and Distribution Expenses	56.41	22.74
	Freight and Forwarding	437.31	413.80
b	Repairs and Maintenance:		
	on Buildings	36.81	62.69
	on Plant and Machinery	907.00	969.37
	on Others	17.20	29.49
c	Administrative Expenses		
	Travelling and Conveyance	13.54	71.05
	Legal and Professional Charges	43.12	78.03
	Postage and Telephone Expenses	4.41	2.28
	Printing and Stationery	4.49	5.28
	Insurance	38.45	100.43
	Water Charges	0.03	0.04
	Rent	63.03	57.49
	Vehicle Maintenance	105.23	125.20
	Advertisement	1.00	0.59
	Travelling Expenses to Managing Director	83.58	91.24
	Loss on sale of vehicles	-	-
	Gratuity to be accrued in Future (Provision)	31.11	50.36
	Audit Fee:		
	For Statutory Audit	4.50	5.00
	For Cost Audit	0.61	0.50
	For Tax Audit	-	-
	For Other Services	0.92	1.57
	For Internal Audit	0.50	-
	Auditors out of pocket expense	-	0.03
	Other Expenses	628.13	157.01
TOTAL		2,550.93	2,354.49

Note 27 Earnings per share

Basic and Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Basic Earnings per share (Amount in Rs.)	1.16	1.30
Diluted Earnings per share (Amount in Rs.)	1.16	1.30
Profit for the year used in the calculation of basic and diluted earnings per share (Amount in Rs. lakhs)	1,083.11	1,223.72
Weighted average number of equity shares (Nos in Lakhs)	9,408.45	9,408.45

Note 28 Employee Benefits

28.1 Defined Contribution Plan

The Company makes Provident and National Pension Fund contributions for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Company are at rates specified in the rules of the Schemes/Policy are as below:

Particulars	Amount in Rs. Lakhs	
	Year ended 31 March 2025	Year ended 31 March 2024
Employer's Contribution to Provident Fund	49.07	52.65
Employer's Contribution to National Pension Fund	-	-
Employer's Contribution to ESIC	-	-
Total	49.07	52.65



Defined Benefit Plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The following table sets out the status of the Gratuity scheme and the amount recognised in the financial statements as per the Actuarial Valuation done by an Independent Actuary:

These plans typically expose the Company to actuarial risks such as: Actuarial risk, investment risk, Liquidity risk, market risk and legislative risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption then the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

In respect of the above plans, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2025 by an independent member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(a) Amount recognised in the statement of Profit and Loss in respect of the defined benefit plan are as follows :

Particulars	Amount in Rs. Lakhs	As at 31 March 2025
Service Cost		
- Current Service Cost		21.06
- Past Service Cost		-
- Net interest expense		10.25
Components of defined benefit costs recognised in profit or loss (A)		31.31
Remeasurement on the net defined benefit liability :		
- Return on plan assets (excluding amount included in net interest expense)		0.02
- Actuarial (gains) / loss arising from changes in financial assumptions		7.52
- Actuarial (gains) / loss arising from experience adjustments		-
- Actuarial (gains) / loss arising from Demographic assumptions		3.10
Components of defined benefit costs recognised in other comprehensive income (B)		10.64
Total (A) + (B)		41.95



(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

Amount in Rs. Lakhs	
Particulars	As at 31 March 2025
Net Asset/(Liability) recognised in the Balance Sheet:	184.79
Gratuity:	
Present value of defined benefit obligation	185.57
Fair value of plan assets	(0.78)
Surplus/(Deficit)	184.79
Non Current portion of the above	-
Current portion of the above	-
Compensated Absences:	
Present value of defined benefit obligation	
Current portion of the above	
Non current portion of the above	
Total	-

(c) Movement in the present value of the defined benefit obligation are as follows :

Amount in Rs. Lakhs	
Particulars	As at 31 March 2025
Present value of defined benefit obligation at the beginning of the year	148.91
Expenses Recognised in the Statement of Profit and Loss:	
Service Cost	
- Current Service Cost	21.06
- Past Service Cost	-
- Interest Cost	10.09
Recognised in Other Comprehensive Income	
- Actuarial (Gain) / Loss arising from:	
i. Financial Assumptions	7.52
ii. Experience Adjustments	-
iii. Demographic Assumptions	3.11
Benefit payments	(5.12)
Present value of defined benefit obligation at the end of the year	185.57
Compensated Absences:	
Net interest expense	
Present value of defined benefit obligation at the beginning of the year	148.91
Expenses Recognised in Profit and Loss Account	
- Current Service Cost	21.06
- Past Service Cost	-
- Interest Expense (Income)	10.05
Recognised in Other Comprehensive Income	
Remeasurement gains / (losses)	
- Actuarial Gain (Loss) arising from:	
i. Financial Assumptions	7.52
ii. Experience Adjustments	3.11
Benefit payments	-5.12
Present value of defined benefit obligation at the end of the year	185.58



(d) Movement in fair value of plan assets (Unfunded) are as follows :

Amount in Rs. Lakhs	
Particulars	As at 31 March 2025
Fair value of plan assets at the beginning of the year	0.62
Expenses Recognised in the Statement of Profit and Loss:	
- Expected return on plan assets	0.02
- Interest Income	0.04
Recognised in Other Comprehensive Income	
Remeasurement gains / (losses)	
- Actuarial gains and loss arising from changes in financial assumptions	-
- Return on plan assets (excluding amount included in net interest expense)	-
Contributions by employer	5.21
Benefit payments	(5.11)
Fair Value of Plan assets at the end of the year	0.78

(e) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at 31 March 2025
Discount rate	6.7%
Expected rate of salary increase	5.0%
Expected return on plan assets	0.0%
Attrition Rate	5.0%
Retirement Age	58
Mortality	1.12
Compensated Absences:	
Discount rate	6.7
Expected rate of salary increase	5
Withdrawal Rate	5

* Based on India's standard mortality table with modification to reflect the expected changes in mortality/others.

(f) Significant actuarial assumptions for the determination of defined o

Amount in Rs. Lakhs	
Impact on the Defined benefit Obligation	1% point increase
	As at 31 March 2025
Increase / (Decrease) due to :-	
Change in the discount rate	7.70
Change in the attrition rate	6.00
Change in the Expected rate of salary increase	6.00
Impact on the Defined benefit Obligation	1% point decrease
	As at 31 March 2025
Increase / (Decrease) due to :-	
Change in the discount rate	5.70
Change in the attrition rate	4.00
Change in the Expected rate of salary increase	4.00

The sensitivity is performed on the Defined benefits Obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

Note 29 Financial Instruments - Capital Management**29.1 Capital management**

For the purpose of the capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.



Particulars	Amount in Rs. Lakhs	
	As at 31 March 2025	As at 31 March 2024
Borrowings	4,738.10	6,849.08
Less: Cash and cash equivalents	(338.20)	(342.17)
Net debts	4,399.90	6,506.91
Capital/(Net equity)	34,981.97	33,998.37
Capital and net debt	39,381.87	40,505.28
Gearing ratio	11.17%	16.06%

29.2 Financial Instruments - Financial risk management

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is responsible for developing and monitoring the Company's risk management policies.

29.3 Market risk

The Company is exposed to market risks such as price, interest rate fluctuation and foreign currency rate fluctuation risks, capital structure and leverage risks.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices.

29.4 Foreign Currency Risk Management:

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

Earnings and Expenditure in Foreign Currency

Particulars	Amount in Rs. Lakhs	
	As on 31 March 2025	As on 31 March 2024
Earnings in Foreign Currency	-	-
Expenditure in Foreign Currency	-	-

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	(Amount in Lakhs)			
		Amount as at 31 March 2025		Amount as at 31 March 2024	
		Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.
Trade receivables	USD	-	-	-	-

Out of the above foreign currency exposures , none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

Foreign Currency sensitivity analysis

The following table details the company's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the rupee strengthens 10% against the relevant currency. For a 10% weakening of the rupee, against the relevant currency, there would be a comparable impact on the profit or equity.

Particulars	Amount in Rs. Lakhs			
	USD - INR impact			
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Profit or Loss - Increase	-	-	-	-
Profit or Loss - (Decrease)	-	-	-	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the period.



Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company. The Company invests its surplus funds in bank fixed deposits which carry minimal mark to market rates.

Interest Rate Risk Management

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 long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Amount in Rs. Lakhs					
Particulars	Carrying amount	Total	Less than 1 year	1 to 3 years	3 to 5 years
31 March 2025					
Non-derivative financial liabilities					
Non-current					
Borrowings		4,738.10	-	4,738.10	-
Lease Liabilities		-	-	-	-
Current					
Borrowings		#####	22,336.83	-	-
Lease Liabilities		-	-	-	-
Trade Payables		2,815.24	2,815.24	-	-
Other Financial Liabilities		9,395.83	9,395.83	-	-
Total	-	39,286.00	34,547.90	4,738.10	-

Amount in Rs. Lakhs					
Particulars	Carrying amount	Total	Less than 1 year	1 to 3 years	3 to 5 years
31 March 2024					
Non-derivative financial liabilities					
Non-current					
Borrowings		6,849.08	-	6,849.08	-
Lease Liabilities		-	-	-	-
Current					
Borrowings		19,564.77	19,564.77	-	-
Lease Liabilities		-	-	-	-
Trade Payables		2,815.24	2,815.24	-	-
Other Financial Liabilities		5,571.76	5,571.76	-	-
Total	-	34,800.85	27,951.77	6,849.08	-

The Company has sufficient current assets comprising of Trade receivables, Cash and cash equivalents, Other bank balances, Loans and other current financial assets to manage the liquidity risk, if any, in relation to current financial liabilities. Based on the contractual due dates of the loan from related parties and the confirmation from the Holding Company that they will be settling amounts to enable the Company to meet its liabilities and the fact that the Company also has credit facilities with Banks, the Company believes that it has enough sources to meet its financial obligations as they fall due, in case of any deficit.

The following table details the Company's expected realisation of non-derivative financial assets. This table has been drawn up considering the undiscounted cash flows of financial assets based on the earliest date on which the Company can expect to receive the same.



Amount in Rs. Lakhs						
Non-derivative financial assets	Carrying amount	Total	Less than 1 year	1 to 3 years	3 to 5 years	5 years and above
31 March 2025						
Investments		461.78	-	-	-	-
Trade Receivables		2,871.28	2,871.28	-	-	-
Cash and Cash equivalents		11.29	11.29	-	-	-
Bank balances other than above		326.91	326.91	-	-	-
Loans		19,203.66	19,203.66	-	-	-
Other Financial Assets		16,440.84	-	-	-	-
Total	-	39,315.76	22,413.14	-	-	-

Amount in Rs. Lakhs						
Non-derivative financial assets	Carrying amount	Total	Less than 1 year	1 to 3 years	3 to 5 years	5 years and above
31 March 2024						
Investments		455.78	-	-	-	-
Trade Receivables		1,842.93	1,842.93	-	-	-
Cash and Cash equivalents		35.92	35.92	-	-	-
Bank balances other than above		306.25	306.25	-	-	-
Loans		15,454.61	15,454.61	-	-	-
Other Financial Assets		14,177.60	-	-	-	-
Total	-	32,273.09	17,639.71	-	-	-

29.6

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables

Cash and cash equivalents

The Company maintains its cash and cash equivalents with credit worthy banks and reviews it on ongoing basis. The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

Other financial assets

Other financial assets are neither past due nor impaired.

29.7

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

29.8

Offsetting of Financial Assets and Financial Liabilities

The Company does not offsets financials assets and financial liabilities



Note 30 Contingent Liabilities and Commitments (to the extent not provided for)
Company has extended Corporate guarantee of Rs.8.00 crores to State Bank of India, Rs.23.00 crores to Canara Bank. Total corporate guarantee extended is for Rs.31.00 crores. The corporate guarantee is extended to these banks against the loans given to the Harvesting and Transportation contractors against the loans disbursed to their individual accounts to the extent of Rs.7.00 Lakh each by SBI and Rs.10.00 Lakh each by Canara Bank. Further, Company has given Bank Guarantee of Rs.6.80 crores in favour of suppliers against the supply of raw materials and Rs.1.76 crore to the OMCs (Oil Marketing Companies) against the supply of Ethanol.

30.1 Contingent Liabilities

Particulars	Amount in Rs. Lakhs	
	As at 31 March 2025	As at 31 March 2024
Claims against the Company not acknowledged as Debts:		
Taxation matters	464.04	406.09
Income Tax	-	-

In respect of above Income Tax matter, the Company has ongoing disputes with Income Tax Authorities relating to treatment of certain items/ adjustments carried out by the Department. The Company's appeals are pending before various Appellate Authorities.

Note 31 Operating Segments

The Primary Reporting of the Company has been made on the basis of business segments. The Company operates in a reportable operating segment **with 4 units like sugar unit, cogeneration unit, distillery unit, aviation unit** and the information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance focuses on this operating segment. Accordingly, the amounts appearing in the financial statements relate to this operating segment. Hence there are separate reportable segments in accordance with Ind AS 108 'Operating Segments'. There is only one Geographical Segments (based on geographical location of its customers) i.e. India only which is considered as a Secondary segment as per the aforesaid standard.

Revenue from Operations includes revenue arising from one customer, representing more than 10% of the Company's revenue individually.

Note 32 Corporate Social Responsibility:

As per Section 135 of the Companies Act 2013 (The Act), the company was required to spend Rs. 20.75 Lakhs for the year ended 31 March 2025 and Rs. 14.26 Lakhs for the year ended 31 March 2024, in pursuance of its Corporate Social Responsibility Policy.

Particulars	Amount in Rs. Lakhs	
	Year ended 31 March 2025	Year ended 31 March 2024
Amount required to be spent by the company during the year	20.75	14.26
Amount of expenditure incurred by the company during the year:		
(i) Construction/Acquisition of any asset	-	-
(ii) On purposes other than (i) above	44.01	14.26

Further, as a part of extending encouragement to the education, company has given a cheque Rs.20.75 Lakhs on 27.03.2025 in favour of Advait Educational Trust (R) for the purchase of computers to promote education of the children and the cheque passed through the Bank on 07.04.2025. Hence, it has spent further sum of Rs.20.75 Lakhs for providing education to the children. To meet this mandatory spending, the company has spent Rs.20.55 lacs on development of green belt being plantation of nursery plants in the surrounding places as a part of spending on CSR activities and has spent Rs.2.71 Lakhs for providing education to the poor students at the Primary and Secondary Education School run by the Company. Hence, the Company has spent more than the mandatory requirement of Rs.20.75 Lakhs.



DAVANGERE SUGAR COMPANY LIMITED, KUKKUWADA-577 525

CONSOLIDATED

Note: 1

PROPERTY, PLANT AND EQUIPMENTS SCHEDULE AS ON 31.03.2025

PARTICULARS	COST				DEPRECIATION				WRITTEN-DOWN VALUE	
	AS ON 01.04.2024	ADDITIONS	WITHDRAWAL / TRANSFER	AS ON 31.03.2025	UPTO 01.04.2024	PROVIDED	WITHDRAWAL	UPTO 31.03.2025	AS ON 31.03.2024	AS ON 31.03.2025
LAND	4908.60	0.00	0.00	4908.60	0.00	0.00	0.00	0.00	4908.60	4908.60
BUILDINGS,ROADS & YARDS	11331.02	0.00	0.00	11331.02	3319.43	213.58	0.00	3525.14	8011.60	7805.88
PLANT & MACHINERY	36991.55	291.75	0.00	37283.30	16514.48	995.05	0.00	17514.80	20477.07	19768.50
WELL & WATER WORKS	19.76	0.00	0.00	19.76	19.54	0.00	0.00	18.78	0.22	0.99
FURNITURE & FIXTURES	25.66	0.00	0.00	25.66	24.29	0.06	0.00	24.34	1.36	1.31
VEHICLES	716.61	0.00	33.59	683.03	510.94	48.92	31.91	527.74	205.67	155.29
OFFICE EQUIPMENTS	15.51	0.34	0.00	15.84	14.67	0.13	0.00	14.84	0.83	1.00
LIBRARY	0.41	0.00	0.00	0.41	0.41	0.00	0.00	0.41	0.00	0.00
CANTEEN EQUIPMENTS	1.44	0.00	0.00	1.44	1.42	0.00	0.00	1.42	0.02	0.02
COMPUTERS	60.47	0.00	0.00	60.47	56.92	1.10	0.00	57.90	3.54	2.57
WATER STORAGE TANK	426.00	0.00	0.00	426.00	231.35	8.68	0.00	231.35	194.66	194.66
INTANGIBLE ASSETS (SOFTWARE PACKAGE)	28.01	1.25	0.00	29.26	26.64	1.15	0.00	26.94	1.36	2.32
STORAGE SHED	0.00	15.81	0.00	15.81	0.00	1.23	0.00	5.01	0.00	10.80
PROJECT IN PROGRESS										
CAPITAL WORK-IN PROGRESS	2089.22	0.00	0.00	2089.22	0.00	0.00	0.00	0.00	2089.22	2089.22
TOTAL	56614.26	309.15	33.59	56889.82	20720.10	1269.90	31.91	21948.65	35894.16	34941.17
Previous years	54482.04	2132.22	0.00	56614.26	19524.11	1195.99	0.00	20720.10	34957.93	35894.16



DAVANGERE SUGAR COMPANY LTD

FOR YEAR ENDED ON 31ST MARCH 2025

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note: - 1 Significant accounting policies:

1.0 Corporate Information

DAVANGERE SUGAR COMPANY LTD is a Limited Company, incorporated under the provisions of Companies Act, 1956 and having CIN: L37100KA1970PLC001949. The Company is engaged in the business of Sugar Manufacturing (By-product Molasses) from Sugarcane and Co-generation of Electricity Power. The Registered office of the company is situated at 73/1, POST BOX NO.312, SHAMANUR ROAD, DAVANGERE- 577004 (KARNATAKA STATE).

1.1 Basis of preparation of financial statements

a. Accounting Convention: -

The Financial Statements of the Company comprises the Balance Sheet as at 31 March, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of material accounting policies and other explanatory information (together referred to as the "Financial Statements").

These Financial Statements have been prepared in accordance with the provision of the Companies Act, 2013 (the 'Act') to the extent notified. The Indian Accounting standards ("Ind AS") are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared and presented under the historical cost convention, on accrual and going concern basis except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on fair value of the consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transition between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value for an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 116 and measurements that have some similarities to fair value but are not fair value, such as value in use in IND AS 36.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:



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Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). Fair values are determined in whole or part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The financial statements of the Company for the year ended 31 March 2025 were approved for issue in accordance with the Resolution passed by the Board of Directors their meeting held on 14th May 2025

b. Functional and Presentation Currency

All amounts disclosed in the financial statements and notes are rounded off to lakhs the nearest INR rupee in compliance with Schedule III of the Act, unless otherwise stated.

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

c. Compliance with Ind AS

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

d. Use of Estimates and Judgments

The preparation of the Ind AS financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet. The estimates and assumptions used in these Ind AS financial statements are based on management's evaluation of the relevant facts



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NOTES FORMING PART OF FINANCIAL STATEMENTS

and circumstances as of the date of the Ind AS financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS financial statements and the difference between actual results and the estimates are recognized in the period in which the results are known/materialize.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods affected.

Particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial Statement are as below:

1. Evaluation of recoverability of deferred tax assets/Liabilities;
2. Useful lives of property, plant and equipment and intangible assets;
3. Provisions and Contingencies;
4. Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions;
5. Recognition of Deferred Tax Assets/Liabilities
6. Valuation of Financial Instruments;

e. Current versus Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset / liability is treated as current when it is:-

- i. Expected to be realized or intended to be sold or consumed or settled in normal operating cycle.
- ii. Held primarily for the purpose of trading.
- iii. Expected to be realized / settled within twelve months after the reporting period, or.
- 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.
- v. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

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



DAVANGERE SUGAR COMPANY LTD

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NOTES FORMING PART OF FINANCIAL STATEMENTS

1.2 ACCOUNTING POLICIES:

(A) Property, Plant and Equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided on the Written Down Value method (W.D.V.) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

Asset Category	Useful Life
Furniture and fixtures	10 years
Computers, Office, and other equipment	3-5 years
Air conditioners	5 years

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

An item of property, plant and equipment is derecognized on disposal. Any gain or loss arising from de-recognition of an item of property, plant and equipment is included in profit or loss.

(B) Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes, accumulated amortization, and impairment losses, if any. Such costs include purchase price, borrowing cost, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.



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Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost can be measured reliably.

The amortization period for intangible assets with finite useful lives is reviewed at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

Internally generated intangible asset Research costs are charged to the statement of Profit and Loss in the year in which they are incurred.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Product development expenditure is measured at cost less accumulated amortization and impairment, if any. Amortization is not recorded on product in progress until development is complete.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

(C) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. 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 asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.



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NOTES FORMING PART OF FINANCIAL STATEMENTS

(D) Leases

As a lessee

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.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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.

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.

As Lessor:

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on contractual terms & substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.



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Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(E) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Company has identified its Managing Director as CODM who is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions.

The Company is operating in various business segments, such as Sugar, Co-Generation, Aviation, and Distillery, Hence Segment reporting is applicable and appropriate disclosures have been made in significant notes to accounting policies.

(F) Statement of Cashflow

Cash Flows of the Group are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a noncash 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 Cash Flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(G) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and highly liquid investments with an original maturity of up to three month that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(H) Inventories

Inventories includes raw material, semi-finished goods, stock -in -trade, finished goods, stores & spares, consumables, packing materials, goods for resale and material in transit are valued at lower of cost and net

Raw Material and Components - Cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition. value Cost is determined on First-In-First-Out basis.

Finished/Semi-Finished Goods - Cost includes cost of direct material, labor, other direct cost (Including variable costs) and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs. Cost is determined on First-In-



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First-Out basis.

Stock-in-trade - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and conditions. Cost is determined on First-In-First-Out basis.

Stores, Spare Parts, Consumables, Packing Materials etc. - Cost is determined on First-In-First-Out basis.

Goods for Resale – valuation Cost is determined on First-In-First-Out basis.

Realizable Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Adequate allowance is made for obsolete and slow-moving items.

(I) Foreign Currency Transactions

i) Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

ii) Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

Any subsequent events occurring after the Balance Sheet date up to the date of the approval of the financial statement of the Company by the board of directors on **14th May, 2025** have been considered, disclosed and adjusted, if changes or event are material in nature wherever applicable, as per the requirement of Ind AS .

(J) Income Taxes

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.



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I. Current tax: -

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

II. 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.

Deferred tax asset is recognized to the extent that it is probable that taxable profit will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

(K) Provisions and Contingencies

Provisions:

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are discounted to its present value as appropriate.

Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

(L) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the



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customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- i. Identification of contract(s) with customers;
- ii. Identification of the separate performance obligations in the contract;
- iii. Determination of transaction price;
- iv. Allocation of transaction price to the separate performance obligations; and
- v. Recognition of revenue when (or as) each performance obligation is satisfied.

(M) Other income:

Interest: Interest income is calculated on effective interest rate, but recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

(N) Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised 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. based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(O) Earnings per share (EPS):

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.



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For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of additional equity shares that would have been outstanding are considered assuming the conversion of all dilutive potential equity shares. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

(P) Employee benefits

i. Provident Fund

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense when an employee renders the related service.

ii. Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 as amended. The Gratuity Plan provides a lump sum payment to vested employees at the time of separation, retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period by an independent Actuary. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest)(if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- a. Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- b. Net interest expense or income; and
- c. Remeasurements - The Company presents the service costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.



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iii. Long Term Employee Benefits:

The Company accounts for its liability towards compensated absences based on actuarial valuation done as at the Balance Sheet date by an independent actuary using the Projected Unit Credit Method. The liability includes the long-term component accounted on a discounted basis and the short-term component which is accounted for on an undiscounted basis.

iv. Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

(Q) Fair Value Measurement:

The Company measures financial instruments such as investments in quoted share, certain other investments etc. at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

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

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

(R) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets:

Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables and other specific assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit



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or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- i. The entity's business model for managing the financial assets and
- ii. The contractual cash flow characteristics of the financial asset.

De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities:

Initial Recognition and Subsequent Measurement

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost. 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. Changes in the amortised value of liability are recorded as finance cost.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

1.3 Recent Pronouncements:

Ministry of Corporate Affairs("MCA") notifies new standards or amendment to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



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NOTES FORMING PART OF FINANCIAL STATEMENTS

The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current annual financial statements and are to be read in relation to the amounts and other disclosures relating to the current financial year.

33. Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.

34. The Company has not revalued its Property, Plant and Equipment for the current year.

35. There has been Capital work in progress carried forward from the previous year and there is no additional capital work in progress for the current year of the company.

Capital Work in progress under progress for installation of the grain based Ethanol Unit	Amount In Development for Period (Amount in Lakhs)				Total
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	--	--	2089.22	--	2089.22
Projects Temporarily suspended					
(As per IND AS 16)	--	--	--	--	--

36. There is no Intangible assets under development in the current year.

37. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

38. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

39. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

40. No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.

41. The company has not been declared as willful defaulter by any bank or financial institution or government or government authority.

42. The Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend to 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



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43. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

- directly or indirectly lend to 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.

44. The company does not have transaction with the struck off under section 248 of companies act, 2013 or section 560 of Companies act 1956.

45. The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.

46. Related Parties Disclosure: -

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given below:

List of related parties with whom transactions have taken place and relationships: -

Sr. No.	Nature of Relationship	Name of the Parties
1.	Key Managerial personnel (KMP)	1. Shamanur Shivashankarappa Ganesh 2. Abhijith Ganesh Shamanur

Transaction during the current financial year with related parties:-

Rs. in Lakhs							
SrNo	Name Of related Parties	Nature of relation	Nature of Transaction	O/s at the beginning Receivable/(Payable)	Amount Debited	Amount Credited	O/s at the End Receivable/(Payable)
1.	M/s. Kalleswara Traders	MD's Relative is partner in firm	Purchase & Sale of goods & Services	--	7.25	7.25	--
2.	M/s. S Kallappa & Sons	MD partner in firm	Purchase & Sale of goods & Services	--	33.22	33.22	--
3.	M/s. Shivashankar Associates	MD partner in firm	Purchase & Sale of goods & Services	--	2.56	2.56	--
4.	M/s. Shamanur Transport	E D is the proprietor	Purchase & Sale of goods & Services	0.76	359.77	13.32	345.69
5.	GMM Enterprises	MD and ED are partners in the firm	Purchase & Sale of goods & Services	2.22	2.22	6.16	6.16



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NOTES FORMING PART OF FINANCIAL STATEMENTS

6.	M/s Lakshmi Flour Mills	MD partner in firm	Purchase & Sale of goods & Services	--	10.23	15.14	4.91
7.	S S Trading Company	MD partner in firm	Purchase & Sale of goods & Services	--	478.79	6.49	472.30
8.	Smt Rekha Ganesh	Wife of S S Ganesh	Purchase & Sale of goods & Services	--	5.58	8.90	3.32
9.	Shivashnakar Filling Station	MD partner in firm	Purchase & Sale of goods & Services	2.68	69.99	77.60	10.29

47. Deferred tax Assets and Liabilities are as under:- Components of which are as under:-

(Rs. In Lakh)		
Particulars	Amount (Rs.) 31-3-2025	Amount (Rs.) 31-3-2024
Deferred Tax		
Depreciation	+110.68	+96.29
Carried forward Loss	+10.67	+14.67
Gratuity Provision	-153.84	-141.92
Net Differed Tax Liability/(Asset)	(32.49)	(30.96)

48. Notes forming part of accounts in relation to Micro and small enterprise

1. Based on information available with the company, on the status of the suppliers being Micro or small enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below :

Sr. No.	Particulars	Year Ended on 31 st March 2025		Year Ended on 31 st March 2024	
		Principal	Interest	Principal	Interest
i	Amount due as at the date of Balance sheet	Nil	Nil	Nil	Nil
ii	Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil
iii	Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil



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iv	The amount of interest accrued and remaining unpaid as at the date of Balance sheet	Nil	Nil	Nil	Nil
----	---	-----	-----	-----	-----

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

49. Title deeds of immovable Property

Title deeds of immovable property has not been held in the name of promoter, director, or relative of promoter/ director or employee of promoters / director of the company, hence same are held in the name of the company.

50. Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties:-

No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

51. Compliance with approved Scheme(s) of Arrangements

The Company does not have made any arrangements in terms of section 230 to 237 of companies act 2013, and hence there is no deviation to be disclosed.

52. Utilization of Borrowed funds and share premium:-

As on March 31, 2025 there is no unutilized amount in respect of any issue of securities and long term borrowings from bank and financial institutions. The borrowed funds have been utilized for the specific purpose for which the funds were raised.

53. Ratios Analysis: -

Ratio	Numerator	Denominator	As at 31 st March, 2025	As at 31 st March, 2024	% of change in Ratio	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	1.43	1.33	0.10	increase in Current Assets during FY 25
Debt Equity Ratio	Debt capital	Shareholder's Equity	1.42x	1.01x	+0.41	increase in unsecured loans from directors during FY 25
Debt Service Coverage Ratio	EBITDA-CAPEX	Debt Service (Int.+Principal)	0.53x	0.92x	-0.39	lower EBIDTA during the FY 25
Return on Equity Ratio	Profit for the year	Average Shareholder's Equity	11.51%	13.00%	-1.49	decrease in the net profit for the FY 25
Inventory	Sales	Average	1.49x	2.03x	-0.54	increase in



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Turnover Ratio		Inventory				inventory and decrease in turnover during FY 25
Trade Receivables turnover ratio	Net Sales	Closing trade receivables	7.46x	11.75x	-4.29	increase in the trade receivable FY 25
Trade payables turnover ratio	Cost of Material Consumed	Closing Trade Payables	4.74x	5.79x	-1.05	increase in Trade payable and cost of Material in the FY 25
Net capital turnover ratio	Sales	Working capital (CA-CL)	1.94x	2.94x	-1.00	decrease in net working capital during FY 25
Net profit ratio	Net Profit	Sales	5.04%	5.65%	-0.61	decrease in net profit during the FY 24
Return on Capital employed	Earnings before interest and tax	Capital Employed	13.24%	8.42%	4.82	increase in EBITA and long term loans during FY 25
Return on investment	Net Profit	Investment	1.45%	2.69%	-1.24	decrease in net profit during FY 25



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54. Shares Held by Promoters at the End of the Year

Sr. No.	Promoter Name	No. of Shares 2024-25	% of Total Shares	No. of Shares 2023-24	% of Total Shares	% Changes During the Year
1	GANESH S S	254238056	27.02	400941480	47.11	-15.59
2	ABHIJITH GANESH SHAMANUR	69147240	7.35	69147240	7.35	No
3	REKHA GANESH .	60862000	6.47	60862000	6.47	No
4	ANCHAL GANESH SHAMANUR	15000000	1.59	15000000	1.59	No
5	AKHIL G SHAMANUR	10000000	1.06	10000000	1.06	No
6	S S MALLIKARJUNA	2081740	0.22	2081740	0.22	No
7	M/S MAFATLAL PLAYWOOD INDUSTRIES LIMITED	80000000	8.50	80000000	8.50	No



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NOTES FORMING PART OF FINANCIAL STATEMENTS

Segment Reporting

REPORTING ON SEGMENT WISE REVENUES, RESULTS, ASSETS AND LIABILITIES						
Rs in Lakhs						
Sr.No.	PARTICULARS	For the quarter ended			For Twelve months Ending on Year ended	
		31-03-2025	31-12-2024	31-03-2024	31-03-2025	31-03-2024
		Audited	Unaudited	Audited	Audited	Audited
1	Segment Revenue					
a)	Sugar	1282.23	3239.15	3064.32	5086.87	9466.46
b)	Co-Generation	180.00	442.89	575.57	622.89	1369.78
c)	Aviation	40.93	185.79	78.78	749.60	391.31
d)	Distillery	4187.54	3449.92	2638.29	15039.18	10425.50
e)	Others	56.81	40.62	187.38	177.06	643.68
	Income from operations	5,747.51	7,358.37	6,544.33	21,675.60	22,296.73
2	Segment Results					
	Profit (+)/Loss(-) before tax, Interest and exceptional items from each segment	-	-	-	-	-
a)	Sugar	283.51	(1748.32)	500.85	(2289.62)	1630.03
b)	Co-Generation	(342.70)	18.00	180.48	(608.17)	261.08
c)	Aviation	109.31	20.46	(60.52)	384.50	(44.60)
d)	Distillery	649.04	3124.85	305.22	6514.44	2134.00
	Total	699.16	1,414.99	926.03	4,001.15	3980.51
	Add: Exceptional item	-	-	-	-	-
	Less: Interest	474.45	668.95	466.28	2715.25	2535.27
	Other Un-allocable expenditure net off	-	-	-	-	-
	Un-allocable corporate assets	-	-	-	-	-
	Total Profit Before Tax	224.71	746.04	459.75	1,285.90	1445.24
3	Segment Assets -					
a)	Sugar	42563.05	41542.79	36724.27	42563.05	36724.27
b)	Co-Generation	9067.35	11237.53	9259.59	9067.35	9259.59
c)	Aviation/others	496.85	346.85	163.03	496.85	163.03
d)	Distillery	21375.82	23273.10	22,020.35	21375.82	22020.35
	Total segment assets	73,503.07	76,400.27	69,167.24	73,503.07	68,167.24
	Segment Liabilities -					
a)	Sugar	27444.00	30032.15	22801.10	27444.00	22801.10
b)	Co-Generation	129.12	151.12	8.95	129.12	8.95
c)	Aviation/others	13.60	6.94	1.12	13.60	1.12
d)	Distillery	10934.38	11151.59	11357.69	10934.38	11357.69
	Total Segment Liabilities	38,521.10	41,341.80	34,168.87	38,521.10	34,168.86

