

MSEL/SE/2025-26/18

July 11, 2025

The Manager
Listing Department
National Stock Exchange of India Limited
'Exchange Plaza', C - 1, Block G,
Bandra-Kurla Complex,
Bandra (E),
Mumbai 400051

The Manager
Listing Department
BSE Ltd.
1st Floor, New Trading Ring,
Rotunda Building
P.J. Towers, Dalal Street, Fort
Mumbai-400 001

SYMBOL – MAGADSUGAR

STOCK CODE – 540650

Dear Sirs,

Sub: Annual Report including Audited Financial Statements for the year ended 31st March, 2025

In terms of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements),, we enclose a copy of the Annual Report including Audited Financial Statements of the Company for the financial year ended 31st March, 2025 together with the Notice dated 13th May, 2025 convening the 11th Annual General Meeting of the Company on Saturday, August 2, 2025.

The same is available on the Company's website at www.magadhsugar.com

Thanking you,

Yours faithfully,

For Magadh Sugar & Energy Limited

S Subramanian
Company Secretary
FCS - 4974



K. K. BIRLA GROUP OF SUGAR COMPANIES

Corporate Office: 5th Floor, Birla Building, 9/1 R. N. Mukherjee Road, Kolkata 700 00 . Email: birlasugar@birla-sugar.com
Phone: + 91 33 2243 0497 / 8, 2248 7068, 3057 3000, 3041 0900 . Fax: + 91 33 2248 6369
Regd. Office: P.O. Hargaon, Dist. Sitapur, U.P., PIN 261 121 . Website: www.magadhsugar.com . CIN:L15122UP2015PLC069632

Building
stability.
Delivering
value.



 **MAGADH**
SUGAR & ENERGY LTD

Annual Report 2024-25

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Forward-looking statement

This document contains statements about expected future events and financials of Magadh Sugar & Energy Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.



Online Annual report
www.magadhsugar.com

Corporate Information

Board of Directors

Mr. Chandra Shekhar Nopany, *Chairperson*
Mr. Padam Kumar Khaitan
Mr. Yashwant Kumar Daga
Mr. Ishwari Prosad Singh Roy
Mr. Raj Kumar Bagri
Mrs. Shashi Sharma
Mr. Rajan Arvind Dalal
Mr. Chandra Mohan, *Whole-time Director*
(upto 14th May, 2025)
Mr. Pankaj Singh, *Wholetime Director*
(w.e.f. 14th May, 2025)

Committees of Directors

Audit Committee

Mr. Raj Kumar Bagri, *Chairperson*
Mr. Yashwant Kumar Daga
Mr. Ishwari Prosad Singh Roy
Ms. Shashi Sharma

Stakeholders' Relationship Committee

Mr. Rajan Arvind Dalal, *Chairperson*
Mr. Yashwant Kumar Daga
Mr. Padam Kumar Khaitan

Nomination and Remuneration Committee

Mr. Yashwant Kumar Daga, *Chairperson*
Mr. Padam Kumar Khaitan
Mr. Ishwari Prosad Singh Roy
Mr. Raj Kumar Bagri

Risk Management Committee

Ms. Shashi Sharma, *Chairperson*
Mr. Rajan Arvind Dalal
Mr. Chandra Mohan

Corporate Social Responsibility Committee

Mr. Padam Kumar Khaitan, *Chairperson*
Ms. Shashi Sharma
Mr. Rajan Arvind Dalal

Finance & Corporate Affairs Committee

Mr. Chandra Shekhar Nopany
Mr. Yashwant Kumar Daga
Mr. Ishwari Prosad Singh Roy
Mr. Chandra Mohan

Executives

Mr Ravindra Kumar Tewari, *Executive President, Narkatiaganj*
Mr Vikas Chandra Tyagi, *Executive President, Sidhwalia*
Mr Ashok Kumar Mittal, *Executive President, Hasanpur*
Mr. Manoj Prasad, *Chief Financial Officer*
Mr. S Subramanian, *Company Secretary*
Mr. Brij Mohan Agarwal, *Vice President (Marketing)*
Mr. Mainak Ranjan Chaki, *Vice President (Human Resources)*

Auditors

B S R & Co. LLP
Chartered Accountants
Godrej Waterside, Unit No. 603
6th Floor, Tower 1, Plot No 5, Block – DP,
Sector V, Salt Lake Kolkata - 700 091

Advocates & solicitors

Khaitan & Co. LLP

Bankers

State Bank of India
ICICI Bank Limited
DCB Bank Limited
HDFC Bank Limited
The South Indian Bank Limited
AXIS Bank Limited
RBL Bank Limited

Registrar and share

Transfer agent

MUFG Intime India Pvt. Ltd.
(Unit : Magadh Sugar & Energy Limited)
Rasoi Court, 5th Floor,
20 Sir R N Mukherjee Road, Kolkata 700001
Tel : 033 6906 6200
Email : kolkata@in.moms.mufig.com
Website : www.in.mpms.mufig.com

Registered office

P.O. Hargaon District – Sitapur, (U. P.)
Pin Code – 261 121
Tel. No.: (05862) 256220,
Fax No.: (05862) 256225
E-mail: magadhsugar@birlasugar.org
Website: www.magadhsugar.com
CIN – L15122UP20152PLC069632

Corporate & head office

Birla Building
9/1, R.N. Mukherjee Road, 5th Floor
Kolkata - 700 001
Tel. No.: (033) 2243 0497/8,
Fax No.: (033) 2248 6369
E-mail: magadhsugar@birlasugar.org
Website: www.magadhsugar.com

Sugar mills

Narkatiaganj, Dist. West Champaran, Bihar
Sidhwalia, Dist. Gopalganj, Bihar
Hasanpur, Dist West Champaran, Bihar

Distilleries

Narkatiaganj, Dist. West Champaran, Bihar
Sidhwalia, Dist. Gopalganj, Bihar

Co-generation power Plant

Narkatiaganj, Dist. West Champaran, Bihar
Sidhwalia, Dist. Gopalganj, Bihar
Hasanpur, Dist West Champaran, Bihar

Building
stability.
Delivering
value.





At Magadh Sugar & Energy Limited, we are engaged in creating a stable organisational foundation.

This comprises deepening cane development, growing resource access and strengthening diverse downstream businesses.

The time has come for the Company to leverage the full value of this business complement.

The Company is expected to grow the business around this robust foundation and enhance organisational value in a sustainable way.

CORPORATE SNAPSHOT

Magadh Sugar & Energy Limited.

The Company is an attractive proxy of the integrated sugar sector in Bihar.

The Company has invested in the sugar, ethanol and co-generation businesses to drive sustainable growth.

This multi-pronged approach is helping transform the Company from a traditional sugar personality into a modern biofuel enterprise.

This approach is expected to address national priorities, drive corporate growth and enhance stakeholder value in a sustainable way.



Our history

Magadh Sugar & Energy Limited is proud to be affiliated with the esteemed K.K. Birla Group, a leading player in India's private sugar sector. This makes the Company a part of the Group's network of seven efficient sugar plants in Uttar Pradesh and Bihar, with a total licensed crushing capacity of 56,300 tonnes per day. These plants specialise in producing quality white crystal sugar, along with various associated by-products, reinforcing our position as a prominent sugar manufacturer in the country.



Our business

The Company was established on 19th March, 2015 and operates three sugar mills in Bihar. These mills possess a combined licensed crushing capacity of 21,500 TCD, distillery capacity of 155 KLPD and a power cogeneration facility capacity of 38 MW.



Our offerings

The Company offers a diverse range of products, comprising sugar, spirits, ethanol, and various other by-products derived from sugar manufacturing. This variety has strengthened the Company's resilience and ensured its long-term stability, empowering it to adapt to changing market conditions and capitalise on emerging opportunities.



Our suppliers

The Company has built strong, enduring partnerships with sugarcane farmers near its three manufacturing facilities. By 31st March, 2025, it had collaborated with 90,000 farmers, sourcing vital raw materials and investing ₹854.46 Crore in cane procurement. This investment has supported the local economy, strengthened communities, and encouraged sustainable agricultural practices.



Our workforce

The Company takes pride in its talented and experienced workforce, comprising individuals with extensive industry expertise across various functions. As of 31st March, 2025, the Company's team consisted of 1,331 dedicated employees, with a remarkable 79% having been a part of the organisation for more than 5 years.



Our customers

The Company established a robust wholesale network, fostering long-term relationships with sugar distributors across five states in India. This extensive network comprises numerous brokers and sub-brokers who serve as reliable distribution partners. All of the Company's wholesalers were associated with the organisation for over six years, demonstrating the strength and stability of these partnerships.



Our listing

The Company's shares are listed on the National Stock Exchange and Bombay Stock Exchange. The Company's market capitalisation stood at ₹837.75 Crore as on 31st March, 2025.



Our credit rating

Magadh's long-term issuer rating was re-affirmed at 'IND A/ Stable' and short-term 'IND A1' by India Ratings and Research (Ind-Ra) credit agency, validating its credit worthiness.



Our locations

The Company operates three modern sugar mills in Bihar at Narkatiaganj, Sidhwalia and Hasanpur.

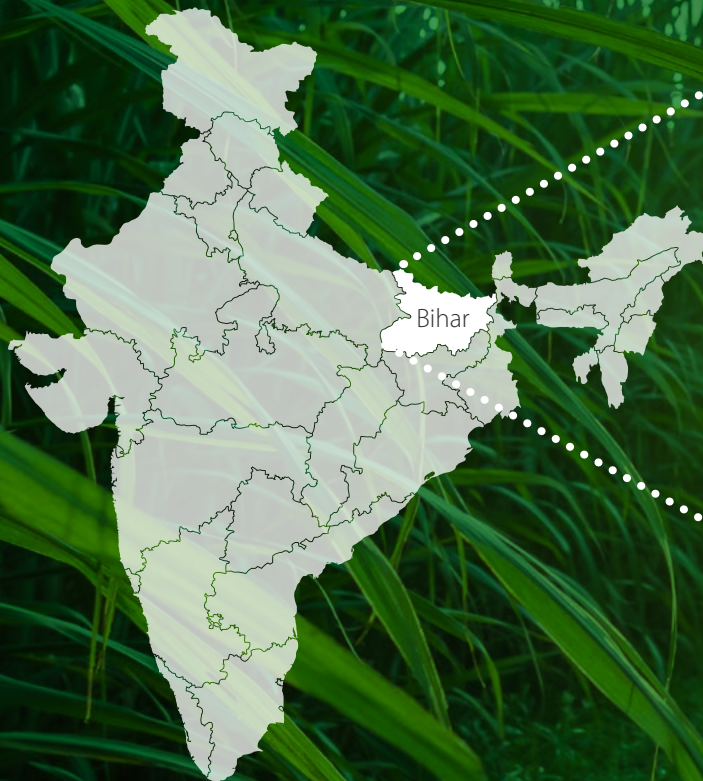
Capacity	Narkatiaganj	Sidhwalia	Hasanpur
Sugar crushing (TCD)	10,000	5,000	6,500
Distillery (KLPD)	80	75	-
Power plant (MW)	10	18	10



Revenue composition

Business segments	Revenue (₹ Crore)		PBIT (₹ Crore)	
	2023-24	2024-25	2023-24	2024-25
Sugar	945.87	1191.20	89.00	114.19
Power	85.44	83.80	33.96	21.78
Distillery	295.82	295.86	73.18	60.04

Our manufacturing footprint



The Company's manufacturing operations are spread across three locations in Bihar.

The Company accounts for around 50% of Bihar's organised sugar sector.

The three manufacturing facilities are located within a 125 km radius.

Their proximity has deepened the Company's brand for increased cane appetite and timely cane payments.



The strategic matrix of our business





How we are building our business

- Enhanced unit ability to self-generate resources (or proximately)
- Sustained cane development focus
- Prudent vertical-wise capacity expansion
- Extension into grain-based distillery
- Broadbased products and resources for enhanced de-risking

Our competitive advantage

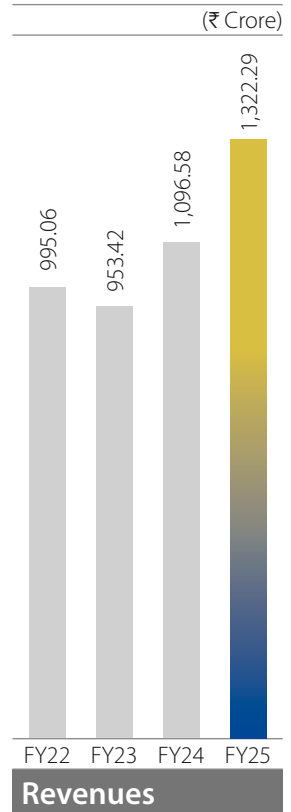
- Moderately leveraged, relatively under-borrowed
- Diversified presence; three manufacturing units
- Extensive command areas
- Secure cane access
- Operational integration from cane to three downstream businesses

Projected outcomes

- Increased revenue per stick of cane
- Diversified portfolio
- Optimised resource utilisation
- Reduced market volatility
- Phased capital expenditure



How we have grown across the last few years



Definition

Growth in sales, net of taxes.

Why this is measured

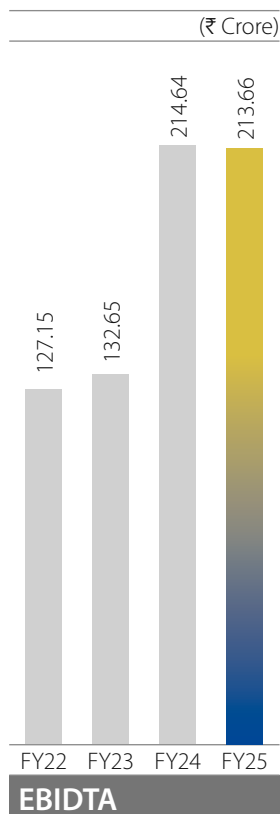
It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's performance can be compared with sectoral peers.

What this means

The volume offtake remained creditable in an otherwise challenging year for the sugar economy, protecting the Company's industry visibility.

Value impact

The Company reported revenues of ₹1,322.29 Crore during 2024-25, a 20.58% growth over the previous financial year.



Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why this is measured

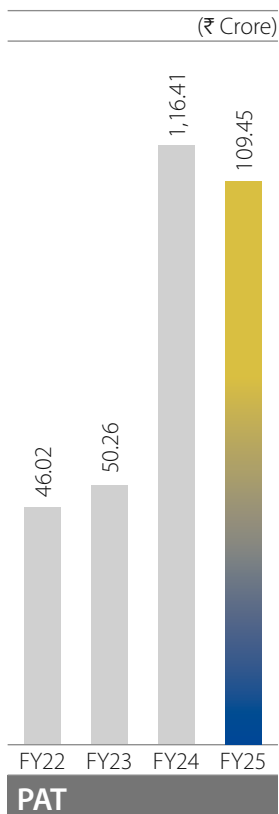
It is an index that showcases the Company's ability to generate a surplus after operating costs, creating a base for comparison with sectoral peers.

What this means

Helps create a robust surplus-generating engine that facilitates reinvestment.

Value impact

The Company reported a 0.45% de-growth in EBITDA compared to the previous year.



Definition

Profit earned during the year after deducting all expenses and provisions

Why is this measured?

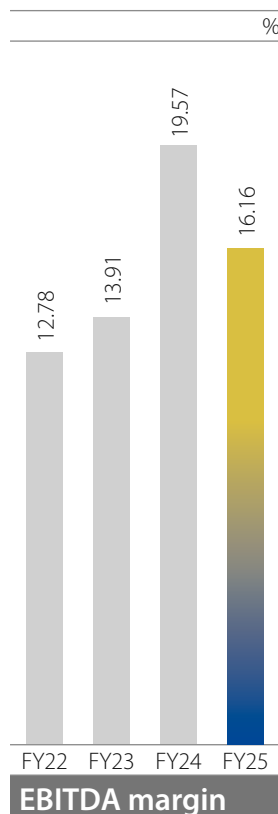
This measure highlights the strength of the business model in enhancing shareholder value

What does it mean?

It ensures that adequate surplus is available for reinvestment in the Company's operations.

Value impact

The Company's PAT of ₹109.45 Crore was a 5.98% de-growth over the previous year.



Definition

EBITDA margin is a profitability measure to ascertain a company's operating efficiency.

Why this is measured

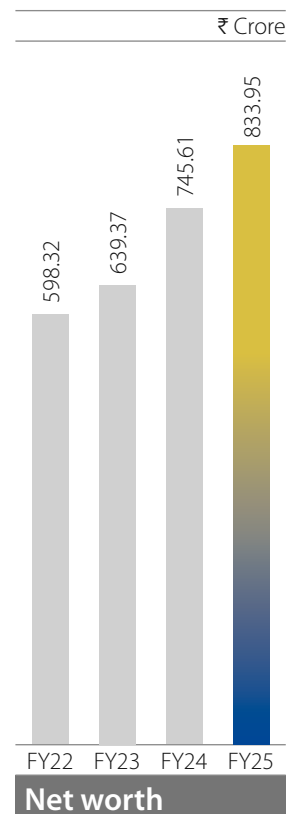
The EBITDA margin provides an index of how much a company earns (before interest and taxes) on each rupee of sales.

What this means

This measure demonstrates the buffer in the business, which, when multiplied by scale, can enhance the business surplus.

Value impact

The Company reported a near 3.41 bps decrease in EBITDA margin in 2024-25.



Definition

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

Why is this measured?

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

What does it mean?

This indicates the extent of shareholder funds available within the Company to grow the business.

Value impact

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

CHAIRPERSON'S PERSPECTIVE



Even as the Company countered the weakness in the sugar sector in 2024-25, it remained committed to widen its portfolio risk across products and resources in addition to increasing business scale.

Overview

The Indian sugar industry suffered a resource decline during the last financial year, affecting most related companies, of which your company was one.

The industry trough was on account of an extensive national decline in cane crushing, induced by climatic reasons. The decline was on account of adverse climatic reasons and cane disease, which moderated cane output largely in Maharashtra, Karnataka and Uttar Pradesh. By the effective close of the 2024-25 sugar season, pan-India cane output had declined 2.23% compared to the previous sugar season.

This decline affected the performance of sugar companies like Magadh. The Company reported a 7.50% decline in cane crushing during the 2024-25 season. Besides, the Company suffered a 74 bps decline in recovery. The decline in recovery alone led to a notional reduction of 16,000 Tonnes of saleable sugar. The Company suffered a 13.46% decline in sugar production during the season. This decline was aggravated by an increase in the cane cost by a net ₹10 per quintal, as announced by the Bihar government, which increased the overall cane cost.

Much of the decline in the Company's production was on account of the red rot disease that affected its Co 0238 cane variety. This variety enjoyed a successfully productive run for more than a decade; it was responsible for enhanced yields that transformed the fortunes of farmers and millers. The disease outbreak highlights that the productive days of this cane variety may be nearing an end. The fact that 55% of the Company's command areas were still under this cane variety evoked a priority to replace it with robust alternatives.

The saving grace was that the national decline in cane crushing moderated the quantum of available sugar in the face of rising demand. The result is that sugar realisations appreciated 2.90% in 2024-25, helping the Company recoup a part of the production decline.

At Magadh Sugar, we remain committed to enhance our exposure in non-sugar businesses. This is expected to strengthen our recall as a series bio-fuel player.

The Company continued to strengthen its business in the face of the industry's weakness. It commissioned an increase in crushing capacity at its Narkatiaganj unit from 7,500 TCD to 10,000 TCD, capitalising on economies of scale. The increased cane crushing will generate a larger throughput for sugar and distillery operations. During the early part of this financial year, the Company graduated its molasses-fed distillery of 80 KLPD

to multi-feed; this wider flexibility is expected to extend the distillery's operational days from 270 to 330 in a financial year, strengthening overall throughput and profitability.

The Company's 70 KLPD Sidhwalia distillery was turned into a multi-feed facility before the start of the 2024-25 sugar season, and expected to operate at least 330 days.

At the Narkatiaganj facility, the Company intends to commission a slop boiler, which is intended to increase distillery operations from 270 days a year to 330 days a year, strengthening throughput and capital efficiency. The distillery business is expected to help the Company strengthen cash flows, marked by a shorter payments cycle from oil marketing companies. This is expected to reduce short-term debt and widen revenues.

The Company is broadly de-risked from a debt, cane and liabilities perspective. The Company possessed ₹229 Crore of long-term debt on its book as on 31st March, 2025, which is equivalent to nearly two years of surplus. The proceeds generated from the sale of sugar inventory should more than cover the Company's short-term debt.

Even as the Company countered the weakness in the sugar sector in 2024-25, it remained committed to widen its portfolio risk across products and resources in addition to increasing business scale. This business model is expected to enhance revenues, margins and cash flows; it is likely to enhance the Company's brand as serious bio-fuels player.

The combination of enhanced environment responsibility and business profitability represents a robust platform that should deepen our sustainability across the coming years.

Chandra Shekhar Nopany
Chairperson

The Company continued to strengthen its business in the face of the industry's weakness. It commissioned an increase in crushing capacity at its Narkatiaganj unit from 7,500 TCD to 10,000 TCD, capitalising on economies of scale.

Our integrated value creation approach

Our strategy

Strategic areas	Talent and innovation	Customer and the core	Distributor focus	Enhancing shareholder wealth	Responsible corporate citizen	Community support
Key facilitators	Magadh employed 1331 talents in 2024-25	The Company strengthened customer relationships by ensuring adequate capacity, timely delivery, and maintaining high product quality.	Magadh strengthened its market presence by expanding and reinforcing its network of distributors	The Company had ₹11.37 Lakh free cash on its books as on 31 st March, 2025	Magadh is a responsible corporate citizen	Magadh demonstrated its social responsibility by actively participating in various community development initiatives.
	The Company provided a remuneration of 66.92 Crore, a 6.70% increase over 2023-24.	The Company catered to diverse customer preferences by offering a tailored range of sugar products.	A robust ecosystem ensured consistent stability of resources, providing a reliable foundation	Receivables decreased; working capital loans decreased	Aggregate taxes paid in 5 years ending 2024-25 was ₹131.01 Crore.	The Company focused on healthcare, skill development, education, infrastructure development and women's empowerment.
	79% employees had worked with the Company for five years or more in 2024-25.		Growth in volumes drove significant procurement efficiencies, showcasing the benefits of scalable operations.	Market capitalisation was ₹837.75 Crore as on 31 st March, 2025		The Company invested ₹2.13 Crore in CSR activities in 2024-25
	The average employee age was 46 as on 31 st March, 2025. People retention was 94%		100% cane farmers supplying to the Company were engaged for >5 years.	The Company is likely to become debt-free, strengthening sustainability	The Company was not censured for any regulatory non-compliance in 2024-25	

Our value-creation down the years

Employee value

Year	2021-22	2022-23	2023-24	2024-25
Salaries and wages (₹ Crore)	48.49	61.71	62.71	66.92

The Company demonstrated its commitment to being a responsible employer by making progressive investments in employee remuneration.

Customer value

Year	2021-22	2022-23	2023-24	2024-25
Revenue (₹ Crore)	995.06	953.42	1096.58	1322.28

The Company achieved higher revenues, reflecting the increased value delivered to customers, as evidenced by growth in average items sold per customer, enhanced customer satisfaction and loyalty.

Shareholder value

Year	2021-22	2022-23	2023-24	2024-25
Market valuation (₹ Crore)	443.96	448.96	753.83	837.75

The Company reinforced shareholder value through a combination of judicious business strategy, accrual reinvestment, value chain and cost management.

Community value

Year	2021-22	2022-23	2023-24	2024-25
CSR investment (₹ Crore)	1.42	1.51	1.31	2.13

The Company positively impacted the livelihoods of communities in its operational areas through child feeding programs and other community-focused initiatives

BIG PICTURE



Building our cane-based business

Overview

At Magadh Sugar, the foundation of our business lies in a resilient cane value chain.

The Company collaborates with farmers, promotes mechanised cultivation,

and disseminates timely agronomic knowledge, directed towards enhancing farm yield and cane productivity. These efforts have helped widen cane acreage, improve output, and strengthen the supply chain.

Navigating challenges with strategic action

The 2024-25 season posed challenges due to erratic weather patterns in our Sidhwalia and Narkatiaganj regions. A prolonged spell of excessive rainfall affected the CO 0238 cane variety, triggering a widespread outbreak of red rot disease. This disrupted the cane supply chain and adversely impacted plant utilisation.

To address the issue, the Company adopted a multi-pronged approach. It introduced resilient cane varieties—CO 9301, C14201, and C15023—that are not only suited for water-logged soils but are also disease resistant. The agricultural team widened the use of Trichoderma and scientifically approved pesticides. The CO 0238 variety was sustained for cultivation in elevated, less flood-prone tracts.

The disease outbreak underlined the need to replace CO 0238, which had delivered exceptional yield results for more than a decade. As of 2024-25, approximately 55% of our command area was still under this variety. Its vulnerability to disease encouraged the Company to replace it with sturdier alternatives and minimise its coverage to the minimum possible.

Our distinctive features

Association: We enjoy enduring partnerships with nearly 88,500 farmers across our command regions. Many of these associations span over ten years, reflecting deep-rooted mutual trust.

Personnel: We strengthened our cane development team, enabling deeper farm engagement and assessments to identify needs and provide real-time solutions.

Messaging: Our revamped SMS-based communication system ensures the timely delivery of crucial advisories, fostering a sense of belonging and information accessibility.

Digitalisation: In line with our digital-first approach, we transitioned to cloud computing, streamlined farmer payments, and rolled out the 'Kisan' platform to strengthen transparency and efficiency.

Procurement: Much of the Company's cane procurement is conducted at the plant gate, allowing it to crush cane faster and optimise sugar recovery.

Proximity: Our factory locations within 30 km of the command areas provide logistical ease and timely raw material flow.

Farmland: We utilised a six-lakh-acre farmland area for varietal trials, subsequently distributing proven seed variants to our farmer base.

In response to the crisis, the Company also took significant measures to support farm mechanisation. Subsidised boring pipes, harrows, cultivators, and electric motors were made available to farmers, enhancing their ability to manage land and water resources efficiently.

Highlights, 2024-25

- The Company crushed 22.19 Lakh Tonnes of cane – 10.18 Lakh Tonnes in Narkatiaganj, 5.30 Lakh Tonnes in Sidhwalia, and 6.71 Lakh Tonnes in Hasanpur.
- This represents a 7.53% decline in crushing volumes over 2023-24 due to a lower availability of cane.
- Recovery dropped 74 basis points, translating to a notional loss of 0.16 Lakh Tonnes of saleable sugar.
- The Company collaborated with the Indian Institute of Sugarcane Research, Lucknow, for developing and testing new cane varieties.
- Field visits from scientists helped implement modern, sustainable agronomic practices.
- The cloud-based messaging system became fully operational during the season.
- Farmers were remunerated within 14 days of procurement, ensuring cash flow support and incentivising cane cultivation.
- Subsidised equipment distribution was carried out to reduce a dependence on manual labour.
- The average cane cost rose by ₹10 per quintal, as per the revised SAP by the Bihar Government, increasing procurement expenses by ₹22 Crore.

Strong farmer
relationships

Digitalisation

Varietal research

Cane procurement drivers at Magadh

Awareness and
communication

Disease control

Disaster
management

Efficient logistics
and mechanisation

BUSINESS SEGMENT REVIEW

Our sugar business

1191.20

₹ Crore, revenue
from our sugar
business, 2024-25

75.83

%, share of our
sugar business
in total revenues,
2024-25



Overview

Magadh Sugar & Energy Limited, a member of the prestigious K.K. Birla Group, is a key player in India's private sugar manufacturing sector. Established on 19th March, 2015, the Company built a strong presence in Bihar's sugar belt, operating three strategically located sugar mills. As of 31st March, 2025, Magadh Sugar possessed a combined licensed cane crushing capacity of 21,500 TCD, a distillery capacity of 155 KLPD, and a cogeneration power capacity of 38 MW.

With access to a rich and consistent supply of sugarcane from nearby farming communities, the Company continued to strengthen its position through value-added integration and operational efficiency. In 2024–25, sugar remained the principal revenue generator, contributing 72.22% to the Company's total income.

Highlights, 2024–25

- Crushed 22.19 Lakh Tonnes of cane, compared to 23.99 Lakh Tonnes in 2023–24
- EBIT margin for the sugar business stood at 9.59%, compared to 9.41% in 2023–24
- Produced 2.17 Lakh Tonnes of sugar
- Inventory stood at 1.57 Lakh Tonnes as of 31st March, 2025
- ICUMSA levels ranged between 90–120; Sidhwalia unit recorded ICUMSA below 45, among the best in the industry
- Enhanced crushing capacity by 2500 TCD, increasing the throughput of sugar, ethanol, and co-generated power

Strategic presence

Smart
manufacturing

Our distinctive attributes

Advanced process
control

Reliability and
efficiency

Quality excellence



Overview

The Company's distilleries convert molasses—a by-product of sugar production—into ethanol, supporting year-round operations and reducing seasonal dependence. This is the fastest-growing segment of the business.

As of 31st March, 2025, the Company operated two distilleries at Narkatiaganj and Sidhwalia with a total capacity of

155 KLPD. During 2024–25, the Sidhwalia distillery was upgraded to a multi-feed unit, expected to run 324 days a year.

The Company supplied 463.62 Lakh litres of ethanol—300.40 Lakh litres via B-Heavy and 163.22 Lakh litres through C-Heavy—at an average realisation of ₹59.21 per litre. This supported the Government's 20% ethanol blending target by 2025 and used diverse feedstock like B-Heavy, syrup, and surplus grain.

With the Government removing caps on sugar diversion and ensuring fixed ethanol pricing, the Company is positioned for growth. Distillery revenues are expected to increase, reducing sugar dependence from 85% to 70% and strengthening cash flows through quicker realisations from oil marketing companies.

The strategy of longer plant use, diversified feedstock, and policy-aligned expansion is expected to enhance margins, stability, and stakeholder value.

Navigating market disruptions, building resilience

During 2024–25, the ethanol business faced headwinds due to reduced offtake from oil marketing companies, leading to increased inventory build-up.

To address this, the Company maintained proactive and consistent engagement with oil Marketing companies to streamline the supply chain and normalise the inventory levels. This steady coordination helped cushion the impact of the setback and maintain operational continuity.

Compounding the ethanol offtake challenge, the sugar industry faced one of its most difficult years in recent memory,

largely due to a nationwide decline in sugarcane availability caused by adverse climatic conditions and widespread red rot disease affecting the Co 0238 cane variety.

Despite a lower cane output and red rot disease affecting the Co 0238 variety, increased ethanol production helped offset losses. A slop boiler at Narkatiaganj is expected to extend operations to 330 days.

Maharashtra, Karnataka, and Uttar Pradesh were the worst-hit states, leading to a significant reduction in cane crushing volumes across India. Magadh Sugar experienced a notable contraction in cane availability and a decline in recovery rates, impacting ethanol production.

Highlights, 2024-25

- Achieved an EBIT margin of 20.30%
- Sold 4.63 Crore bulk litres of ethanol at an average realisation of ₹59.21/litre, compared to 4.67 Crore bulk litres at ₹60.14/litre in 2023-24
- Average realisation from the C-Heavy route ethanol was ₹56.40/litre and from the B-Heavy route was ₹60.73/litre
- Ethanol production stood at 4.68 Crore bulk litres, compared to 4.99 Crore litres in the previous year

- Generated 3.29 Crore litres of ethanol from the B-Heavy route and 1.39 Crore litres from the C-Heavy route

- Distilleries operated at over 100% capacity utilisation

Despite the downturn in cane supply, the Company continued to strengthen its ethanol business through strategic investments and operational upgrades. At its Narkatiaganj facility, crushing capacity was expanded from 7,500 TCD to 10,000 TCD to improve throughput across the sugar and distillery operations. This move is expected to enhance molasses availability internal the Company's and reduce dependence on higher-cost external procurement from the Sidhwalia unit.

The Narkatiaganj molasses-based 80 KLPD distillery was upgraded to a multi-feed system, increasing operational flexibility and enabling year-round production. This transition is anticipated to extend the number of annual operational days from 270 to 340. Similarly, the 70 KLPD Sidhwalia distillery was converted to a multi-feed unit before the 2024–25 sugar season and is expected to operate at least 330 days a year.

Industry
leadership

Facility
enhancement

Our distinctive attributes

Operational
excellence

Technological
advancements

Sustainability
initiatives

Our power co-generation business

83.80

₹ Crore, revenue
from power business
in 2024-25

5.33

%, share of power
business in total
revenue in 2024-25



Overview

As on 31st March, 2025, the Company operated a bagasse-based co-generation capacity of 38 MW. During the year, 47.74% of the surplus power was supplied to the Uttar Pradesh Power Corporation Limited, contributing 5.33% to the Company's total revenue. This captive power model ensured reliable energy for uninterrupted manufacturing operations while generating additional income through the sale of excess power.

Navigating disruptions

Despite widespread headwinds in the sugar sector caused by a significant reduction in cane availability—stemming from climatic adversities and disease—Magadh Sugar continued to demonstrate operational resilience. The power co-generation segment was crucial

in providing operational stability and offsetting a part of the production impact from the sugar division.

The Company ramped its molasses-based distillery capacity by transitioning facilities to multi-feed capabilities. This enhanced flexibility and boosted operational days; this ensured a continuous feedstock supply for power generation, thereby improving uptime and throughput.

Highlights, 2024-25

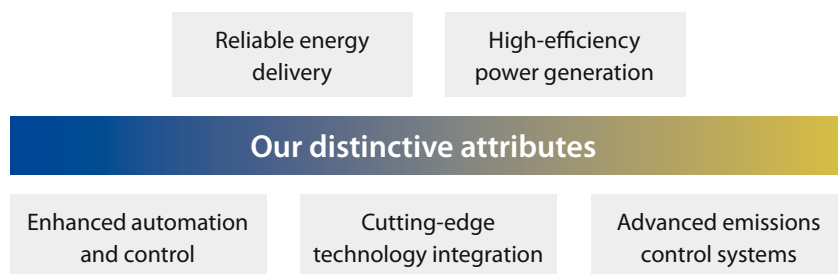
- The business EBIT margin stood at 25.99% in 2024–25.
- The power segment generated 7.71 Crore units, compared to 9.2 Crore units in 2023–24.
- 'Export' volumes stood at 3.68 Crore units, compared to 4.93 Crore units in the previous year.

▪ Average realisation was 5.55 per unit, compared to ₹5.27 per unit in 2023–24.

▪ Power generation was carried out through an environmentally sustainable method by utilising internally generated bagasse.

▪ The Company entered into a Power Purchase Agreement with the Bihar State Electricity Grid.

The Company's strategic decision to expand sugarcane crushing capacity—from 7,500 TCD to 10,000 TCD—had a cascading benefit on power generation by increasing bagasse availability. This facilitated a better utilisation of internal resources for clean energy generation. Moreover, higher internal molasses generation reduced the Company's dependence on external procurement, optimising logistical costs.





People management at Magadh

Overview

Human resource management (HRM) is a strategic and comprehensive approach to managing people. It involves recruiting, developing, and retaining talent while promoting a positive and productive work environment. The function plays a crucial role in aligning the workforce with the organisation's goals by focusing on key areas such as talent acquisition, employee engagement, performance management, training and development, compensation and benefits, and compliance with labour laws. With an increasing emphasis on employee well-being, diversity, and organisational culture, HRM serves as a vital function in building high-performing, resilient, and future-ready teams.

The year 2024–25 marked a transformative chapter in Magadh Sugar's HR journey, as the Company continued its shift from a traditional setup to a future-ready, performance-driven and people-centric organisation. Built on the foundation of shared values, refreshed policies, structured role clarity and leadership development, the HR function evolved significantly to meet the changing dynamics of the sector and workforce.

Values redefined

In 2024-25, the Company initiated a participative exercise to redefine its core organisational values—Integrity, Transparency, and Excellence. The process involved value workshops across levels,

ensuring that these principles were not just words, but ideas rooted in collective thought and practice. Value-based training and leadership coaching were rolled out to cascade these cultural anchors across the organisation.

HR policies

Recognising the need to stay relevant and competitive, all legacy HR policies were comprehensively reviewed and redesigned. This included major reforms in leave entitlements, encashment norms, employee travel, and healthcare policies—benchmarked against sugar and broader industrial sectors. A subsidised Annual Health Check Scheme for employees and their families was

introduced in partnership with Corpfield, ensuring holistic well-being across all plant locations.

Performance culture through clarity and accountability

The year witnessed a landmark initiative: the development of a Job Description (JD) Dictionary for over 140 roles across departments including sugar, ethanol, and power. This unprecedented move, supported by external consultants, brought long-overdue clarity to roles and responsibilities. When combined with the existing KRA framework, this enabled role holders to be assessed and guided on objective performance parameters.

To deepen this performance orientation, the Company continued to align performance metrics with organisational goals through KRA-KPI driven evaluations. By linking measurable goals to individual responsibilities, multi-level accountability and ownership were reinforced.

Building a future-ready, younger workforce

To counter the demographic challenge of an aging workforce—with the average age currently hovering around 48–49 years—the Company initiated a strategy to rejuvenate the talent pool. Organised campus hiring, including onboarding of 20 management trainees from NSI, was conducted. A conscious effort is underway to recruit employees under 40 years of age at all levels, with freshers being inducted in junior roles to build future leadership talent from within.

Internal promotions and leadership development

A robust Internal Assessment & Development Centre framework was implemented to promote leadership development. Using industry-leading Harrison psychometric tools and structured panel interviews, leadership capabilities were assessed and matched with job role requirements. As a result, several internal promotions—including deputy unit heads and department heads—were made, ensuring a growth path for existing employees and continuity of institutional knowledge.

To further institutionalise leadership excellence, a 360-degree Leadership Survey was conducted in collaboration with Great Managers Institute. With participation from 144 leaders, the survey offered in-depth insights across three key dimensions: Connect, Inspire, and Develop—laying the groundwork for structured capability building and succession planning.

Focused employee engagement and well-being

Employee engagement remained a priority, with initiatives aimed at improving family satisfaction, on-site facilities, and personal well-being. While attrition remained well within control—under 3% across most units—certain units like Hata encountered a higher talent turnover due to competition and limited on-campus housing, which are being addressed through infrastructure development and targeted engagement.

Commitment to diversity and equal opportunity

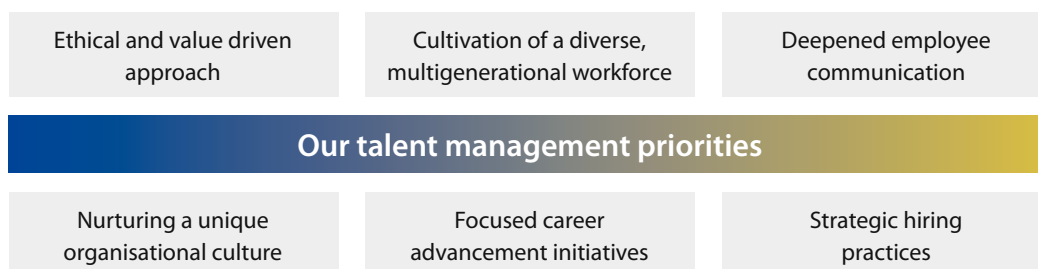
While diversity in plant locations remained a challenge due to the remoteness of sites, efforts are underway to improve gender representation in corporate roles. As the Company transitions towards structured and inclusive policies, diversity will remain a focus area in the coming years.

Transformation, recognition and way forward

From building a performance-driven ecosystem to redefining values, rejuvenating the workforce and creating internal leadership pipelines, Magadh Sugar's HR transformation is rooted in sustainability, agility, and purpose. The Company's efforts were recognised with several accolades during the year:

- 'Dream Companies to Work For – Rank 5' by World HRD Congress
- 'COO of the Year' Award for Magadh Sugar's COO
- Lifetime Achievement Award for the Group's Chief Advisor, Mr. Chand Bihari Patodia
- Sales Excellence Award for the Company's Sales Head

As the Company continues to build a younger, capable, and inspired workforce, HRM will remain at the heart of a culture ready for tomorrow's challenges—anchored in values, driven by performance, and guided by leadership.



Employees

Year	2022-23	2023-24	2024-25
Employees	1153	1174	1331

Retention rate (%)

Year	2022-23	2023-24	2024-25
People retention rate in %	97	96	94

Employee cost as a percentage of total revenue

Year	2022-23	2023-24	2024-25
Employee cost as % of revenue	6.47	5.72	5.05

Profile of employees as per education

Year	2022-23	2023-24	2024-25
Graduates	244	228	386
Masters	34	40	65
Engineers	57	77	67
MBAs	8	9	21
Chartered Accountants	4	4	1

Average age

Year	2022-23	2023-24	2024-25
Average age	48	47	46

Employees by age group

Year	2022-23	2023-24	2024-25
Age group 22-35	171	190	273
Age group 36-45	243	279	319
Age group 46-60	739	705	682

Employees by tenure

Year	2022-23	2023-24	2024-25
More than 5 years (as a % of the total)	71	63	79

Health and Safety incidents

Year	2022-23	2023-24	2024-25
Incidents	Nil	Nil	Nil

Average remuneration

Year	2022-23	2023-24	2024-25
Average remuneration (₹)	32391	34052	33029



At Magadh Sugar, an Environment-Social Governance (ESG) commitment resides at the core of our culture

Overview

A growing number of forward-thinking companies are embracing responsible engagement, recognising the triple benefits of environmental stewardship, financial prudence, and reputational excellence. By integrating Environmental, Social, and Governance (ESG) considerations into their operations, these companies are not only complying with environmental norms but also prioritising

process safety, mitigating resource depletion, water scarcity, pollution, and harmful impacts, and contributing to a more sustainable future. As a result, ESG has emerged as a future-facing framework for business continuity and responsible growth.

Magadh Sugar and ESG

At Magadh Sugar, our commitment to Environment-Social-Governance (ESG)

is fundamental to our existence. We believe in not only doing the right things, but also doing them the right way. Our approach is centred around serving all stakeholders, rather than just a select few. Our overarching objective is to foster stakeholder trust, the driving force behind customer loyalty, employee engagement, vendor partnerships, investor confidence, and community support.

Our environmental component

- Biodiversity conservation
- Carbon neutrality
- Sustainable resource management
- Environmental excellence
- Compliance and assurance
- Transparency and disclosure

Our social component

- Human rights advocacy
- Diverse and inclusive workplace
- Talent development and retention
- Employee growth and development
- Health, safety, and wellness
- Community engagement and support
- Sustainable livelihoods

Our governance component

- Corporate governance framework
- Board diversity and composition
- Independent oversight
- Code of Conduct and ethics
- Accountability and transparency

The combination – environment, social and governance – represents a platform leading to secure, scalable and sustainable long-term growth

How we enhanced our environment approach

At Magadh Sugar, we recognise the importance of a low-carbon approach, essential for sustainable growth. This commitment has far-reaching benefits, including enhanced access to debt financing, improved employee retention, and increased profitability.

Strong internal controls: Our organisation prioritises robust internal controls, ensuring effective environmental management systems, rigorous environmental due diligence, and comprehensive disaster planning and response mechanisms. The Board provides strategic direction, while experienced professionals oversee day-to-day operations, guided by established processes.

Resilience towards climate change: As part of our commitment to resilience in the face of climate change, Magadh Sugar aims to reduce energy intensity, lower greenhouse gas emissions intensity, and transition to cleaner manufacturing fuels and processes.

Reduce our impact on environment and nature: The Company is dedicated to minimising our environmental footprint, achieving notable successes in sustainability, including zero waste to landfill, zero effluent discharge, and reduced water consumption intensity across our operations.

How we have strengthened our social framework

Employees: We prioritised our employees' growth and well-being by investing in continuous cost management and sustainability initiatives,

regardless of market fluctuations. To enhance operational efficiency and effectiveness, we focused on recruitment, retention, and training programs. Moreover, we strengthened our safety protocols through targeted training, investments, and awareness-building initiatives.

Customers and vendors: We nurtured our relationships with vendors and primary customers, deepening our connections and fostering a spirit of collaboration. By doing so, we ensured a stable and supportive ecosystem that benefits all stakeholders.

Community: As a responsible corporate citizen, we engaged with the communities surrounding our manufacturing locations. Through these initiatives, we demonstrated our commitment to their well-being and prosperity.

Employee

66.92

₹ Crore, remuneration to employees in 2024-25

62.71

₹ Crore, remuneration to employees in 2023-24

Customers

1,322.28

₹ Crore, revenues from sales in 2024-25

1,096.58

₹ Crore, revenues from sales in 2023-24

Strengthening our governance through discipline, integrity, and oversight

Overview

At Magadh Sugar, we have built a credible governance framework based on ethical leadership, transparency, and strategic foresight. Our single-tier Board structure, comprising experienced and principled Directors, provides a foundation for sustained and responsible growth.

Upholding ethics and integrity: Our governance practices are anchored in a strong ethical code. The Board adheres to a well-defined 'Code of Conduct' that guides the behaviour of Directors, senior management, employees, and associates. Integrity is embedded into every decision, ensuring actions are aligned with regulatory compliance, stakeholder interests, and societal responsibilities.

Responsible corporate citizenship: Beyond compliance, the Board champions responsible behaviour, with a focus on positively impacting the communities and regions we operate in. This social consciousness shapes our business outlook and reinforces our long-term commitment to sustainable development.

Promoting transparency and accountability: Transparency represents the foundation of our governance approach. The Board ensures detailed and timely disclosures—financial and non-financial—through structured reporting. By aligning with global best practices in disclosures, we continue to earn stakeholder trust and reinforce our reputation for accountability.

Board evaluation and remuneration: We have institutionalised a formal evaluation system that assesses the performance of the Board, its Committees, individual Directors, and the Chairman. This structured review allows us to identify gaps, fine-tune governance practices, and remain agile in the face of evolving industry dynamics and emerging risks.

Strategic oversight and direction: The Board plays a critical role in guiding the Company's strategic direction. It reviews business initiatives, assesses operational performance, and monitors key factors influencing short-term success and long-term sustainability. As a part of its supervisory responsibilities, the Board evaluates senior management actions and corporate strategies, while also encouraging ESG initiatives that extend beyond statutory obligations.

Board independence: A substantial proportion of our Board comprises Independent Directors, ensuring unbiased oversight and balanced decision-making. Their independent perspective helps safeguard the interests of stakeholders and upholds the integrity of our governance commitment.

Embracing Board diversity: We believe that diversity enriches governance. Our Board brings together professionals from a wide spectrum of backgrounds—ranging across geographies, industries, functions, ages, and genders. This mix of perspectives fosters robust dialogue, enhances decision-making, and cultivates innovation at the highest levels.

Board committees and oversight: Specialised committees support the Board's efforts by handling specific areas of governance, such as audit, risk, and remuneration. Each committee operates under defined terms of engagement and is subject to the Board's oversight to ensure an alignment with the Company's goals and values.

Skills and expertise: Our Board is a reservoir of expertise, combining technical acumen with strategic vision. The Directors bring comprehensive knowledge in areas including sugar industry operations, finance, legal compliance, risk management, ESG, stakeholder relations, and negotiations. Their collective experience strengthens our ability to navigate a complex and evolving business landscape.

Our social responsibility and commitment



Overview

At Magadh Sugar, our approach to corporate social responsibility (CSR) is rooted in responsible business practices that engage all stakeholders in decision-making and operations. We are committed to adopting ethical, equitable, environmentally conscious, gender-sensitive, and inclusive business policies that promote sustainable growth and development.

Our vision is to contribute to an equitable and inclusive society by facilitating sustainable transformation and social integration. To achieve this, we will collaborate with government agencies, non-governmental organisations (NGOs), and other like-minded organisations to advance rural education initiatives and drive positive change.

To oversee our CSR initiatives, the Board of Magadh Sugar has constituted a

dedicated CSR committee comprising three members, including one Independent Director. This committee recommends CSR initiatives to the Board every financial year, ensuring that our CSR activities are carefully planned, executed, and monitored. The Board is responsible for ensuring that the funds committed to CSR activities are utilised effectively and efficiently.

CSR initiatives in 2024–25

At Magadh Sugar, corporate social responsibility is an integral part of our commitment to inclusive and sustainable development. During the year, our CSR programmes focused on four key areas: education, healthcare, environment, and community engagement.

Education and youth empowerment	Health and wellness outreach	Environmental responsibility	Volunteering and community involvement
Understanding the transformative role of education, we implemented initiatives aimed at supporting children from disadvantaged backgrounds. Our programmes included the distribution of free textbooks and learning materials, along with scholarships to meritorious students seeking higher education. These efforts are designed to unlock potential, encourage academic excellence, and foster long-term social upliftment.	To address gaps in basic healthcare access, we conducted medical camps offering free consultations, medicines, and essential emergency medical support. These interventions were especially impactful in regions lacking adequate healthcare infrastructure. Our focus on preventive care and medical support underscores our commitment to community health and wellness.	We continued our efforts to preserve and protect the environment through various green initiatives. These included plantation drives, community clean-up campaigns, and the adoption of sustainable technologies. These actions reflect our dedication to reducing ecological impact while promoting environmental stewardship across the communities we touch.	Magadh Sugar actively promotes a culture of community service by encouraging employee participation in volunteering activities. Through a structured programme, employees contributed their time and skills to support local causes. This initiative not only deepens employee engagement but also reinforces our belief in collaborative community development.

CSR outlay (in ₹ Crore)

2020-21	2021-22	2022-23	2023-24	2024-25
1.26	1.42	1.51	1.31	2.13

Directors' Report

Dear members

Your Directors present herewith the 11th Annual Report on the business & operations of the Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2025.

1. FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from Operations (Gross)	1,32,228.50	1,09,658.03
Profit before Finance Costs, Tax, Depreciation and Amortization	21,366.49	21,463.52
Less: Depreciation & Amortization	2,742.09	2,542.54
Expenses	3,846.39	3,261.74
Finance Costs	14,778.01	15,659.24
Profit/(Loss) Before Tax		
Less: Provision for Tax	3,175.89	4,263.74
Current Tax	657.51	(245.46)
Deferred Tax Charge	10,944.61	11,640.96
Profit/(Loss) After Tax		

2. OPERATING PERFORMANCE

During the year under review, your Company continued with various modernisation and de-bottlenecking activities. During the year under review your Company has completed the capital project of increasing Sugarcane Crushing capacity from 7500 TCD to 10000 TCD and steam saving measures at its Narkatiaganj unit resulting into Bagasse Saving.

A detailed analysis of the Company's operations, future expectations and business environment has been given in Discussion & Analysis Report which is made an integral part of this Report and marked as "Annexure A".

3. FINANCIAL PERFORMANCE 2024-25

The Company recorded Total Revenue of ₹1,32,510.66 lakhs (including other income aggregating to ₹282.16 lakhs) during the financial year ended 31st March, 2025. The Revenue from Operations (Gross) of the Company for the year 2024-25 stood at ₹1,32,228.50 lakhs. The Profit before Finance Costs, Tax, Depreciation and Amortisation for the year under review stood at ₹21,366.49 lakhs representing 16.12 % of the total revenue.

There is no change in the nature of business of the Company. There were no significant or material orders passed by regulators, courts or tribunals impacting the Company's operation in future.

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year i.e. 31st March 2025 and date of this report.

4. DIVIDEND

Your Board has recommended a dividend of ₹12.50 per equity share 125% (face value of ₹10/- each) for the financial year ended March 31, 2025. The proposal is subject to the approval of the Members at the 11th Annual General Meeting (AGM) of your Company scheduled to be held on August 2, 2025. The dividend will entail a cash outflow of ₹1,761.45 lakhs (previous year ₹2,113.74 lakhs).

As permitted under the provisions of the Companies Act, 2013("the Act"), the Board does not propose to transfer any amount to General Reserve.

5. PUBLIC DEPOSITS

During the year, the Company has not accepted any deposits from the public under Chapter V of the Act. There was no public deposit outstanding as at the beginning and end of the financial year 2024-25.

6. SHARE CAPITAL

The Authorized Share Capital of the Company stood at ₹40,10,00,000/- (Rupees Forty crore and ten lakhs) divided into 2,51,00,000 (Two crore fifty one lakhs) Equity Shares of ₹10/- (Rupees ten) each and 15,00,000 (Fifteen lakhs) Preference Shares of ₹100/- and there is no change in the authorised capital. The Issued and Subscribed Share Capital of your Company, as on 31st March, 2025, stood at ₹14,09,16,300/- divided into 1,40,91,630 Equity Shares of ₹10/- each.

7. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE

The Company does not have any subsidiary company or any associate company or any joint venture with any person. However, the Company has in place a policy for determining material subsidiaries in line with the requirement of SEBI (LODR) Regulations, 2015 ('Listing Regulations') as amended from time to time. The said Policy is being disclosed on the Company's website at the weblink <https://magadhsugar.com/wp-content/uploads/2024/07/Magadh-Sugar-Policy-Determining-Material-Subsidiaries.pdf>

8. CREDIT RATING

India Ratings and Research - a Credit Rating Agency, has assigned the Credit Rating IND A with respect to long-term bank facilities whereas short-term bank facilities rating has been assigned rating of IND A1.

9. HUMAN RESOURCES

The Company continued to create a productive, learning and caring environment by implementing robust and comprehensive HR processes, fair transparent performance evaluation and taking new initiatives to further align its Human Resource policies to meet the growing needs of its business.

10. DIRECTORS

The Board of Directors comprises of seven Non-Executive Directors having experience in varied fields and a Whole time Director. Out of seven Non-Executive Directors, five are Independent Directors and one Promoter Director. Mr Chandra Shekhar Nopany is the Promoter Chairperson of the Company.

The Company has received necessary declaration from each Independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 read with Regulation 25 of the Listing Regulations, 2015.

The Board of Directors is of the opinion that the Independent Directors are persons of integrity with high level of ethical standards, they possess requisite expertise and experience for appointment as Independent Director of the Company. All the Independent Directors are exempt from the

requirement to undertake online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

The Shareholders of the Company at the Annual General Meeting ("AGM") held on 1st August, 2024 appointed Mr. Rajan Arvind Dalal (DIN: 00546264) as a Director of the Company with effect from 14th May, 2024, liable to retire by rotation.

Mr Chandra Mohan (DIN-07760264), ceased to be the Whole-time Director and Key Managerial Personnel of the Company with effect from 14th May, 2025.

Mr Pankaj Singh (DIN-11090613) was appointed as Whole-time Director and Key Managerial Personnel of the Company for a period of 3 (three) years with effect from 14th May, 2025, subject to the approval of the shareholders at the ensuing AGM of the Company.

Mr. Chandra Shekhar Nopany (DIN-00014587) will retire by rotation at the ensuing AGM and being eligible has offered himself for re-appointment as Director of the Company.

Necessary resolution seeking the approval of the shareholders for the proposed appointment/re-appointment of Directors along with forms part of the Notice of the ensuing AGM along with their brief profile and terms of appointment/ re-appointment, have been incorporated in the Notice of the ensuing AGM.

In pursuance of the provisions of the Companies Act, 2013 and according to Regulation 25(3) of the Listing Regulations, 2015, the Performance Evaluation Criteria has been laid down for effective evaluation of performance of the Board of Directors, the Committees thereof and individual Directors including the Chairperson of the Company. After detailed discussion at Board level as well as taking input from each Director, Nomination and Remuneration Committee finalized the format / questionnaires containing various parameters to evaluate the performance of Board and its committee(s), Individual Directors and Chairperson of the Company. The performance evaluation parameters are based on their roles and responsibilities, contribution to the Company's goals, decision making process, flow of information and various other aspects. The evaluation of performance of the Board as a whole, Committees of the Board, individual Directors including the Chairperson of the Company was carried out for the Financial Year 2024-25. Nomination and Remuneration Committee evaluated the performance of the individual Director.

The Independent Directors in their separate meeting held on 17th March, 2025 carried out the evaluation of the Board of Directors as a whole, Chairperson of the Company and Non-Independent Directors. The evaluation of Independent Directors was carried out without the presence of concerned Director.

The Chairperson of Nomination and Remuneration Committee has submitted report of the respective evaluations to the Chairperson of the Company. Based on the questionnaires received from the Directors and considering the reports of Chairperson of Nomination and Remuneration Committee, the Board has evaluated its own performance and that of its committees and individual directors including independent directors.

A certificate obtained by the Company from a company secretary in practice, confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority, is enclosed as “Annexure- E” to this Report.

11. KEY MANAGERIAL PERSONNEL

Mr. Sudershan Bajaj ceased to be the Chief Financial Officer and Key Managerial Personnel of the Company from close of business hours on August 31, 2024. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Manoj Prasad as Chief Financial Officer and Key Managerial Personnel of the Company with effect from 14th August, 2024.

The Key Managerial Personnel of the Company as on 31st March, 2025 are as under:

- a. Mr. Chandra Mohan, Whole time Director
- b. Mr. Manoj Prasad, Chief Financial Officer
- c. Mr. S Subramanian, Company Secretary

All Directors, Key Managerial Personnel and Senior Management of the Company have confirmed compliance with the Code of Conduct applicable to Directors & employees of the Company and a declaration to the said effect by the Whole-time Director is made part of Corporate Governance Report which forms part of this report. There has been no change in this policy during the year under review. The Code is available on the Company's website at the weblink <https://magadhsugar.com/wp-content/uploads/2024/07/Magadh-Sugar-Policy-for-Determining-Material-Subsidiaries.pdf>. All Directors have confirmed compliance with the provisions of Section 164 of the Companies Act, 2013.

12. FAMILIARISATION PROGRAMME

Periodic presentations are made at the Board Meetings, business, performance updates & business strategy of the Company. The details of the familiarisation programme (other than through meeting of Board and its Committees) imparted to Independent Director are uploaded on the website of the Company and available at the weblink <https://magadhsugar.com/wp-content/uploads/2025/03/MSEL-Famprog-1.pdf>

13. REMUNERATION POLICY

In pursuance of the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations, the Company has formulated a Remuneration Policy. There has been no change in this policy during the year under review and a copy of the said Policy is available at the website of the Company at the weblink <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-Nomination-and-Remuneration-Policy.pdf>

The Remuneration Policy, inter-alia, includes the appointment criterion & qualification requirements, process for appointment & removal, retirement policy and remuneration structure & components, etc. of the Directors, Key Managerial Personnel (KMP) and other senior management personnel of the Company. As per the Remuneration Policy, a person proposed to be appointed as Director, KMP or other senior management personnel should be a person of integrity with high level of ethical standards. In case of appointment as an independent director, the person should fulfil the criteria of independence prescribed under the Companies Act, 2013, rules framed thereunder and the Listing Regulations. The Remuneration Policy also contains provisions about the payment of fixed & variable components of remuneration to the Whole-time Director and payment of sitting fee & commission to the non-executive directors.

14. CORPORATE SOCIAL RESPONSIBILITY POLICY

Your Company believes in long term strategy to contribute to the well-being and development of the society especially the rural population around its plants at Narkatiaganj, Sidhwalia and Hasanpur. As part of its CSR initiatives, the Company is working mainly in the areas of imparting School Education, Technical & Vocational Education, Rural Development, Community Healthcare etc. This multi-pronged CSR approach is showing notable improvement in the quality of life of rural population. The Company continues to spend to support local initiatives to improve infrastructure as well as support in other corporate social responsibilities. The CSR Policy as approved by the Board is available on Company's weblink <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-CSR-Policy.pdf>. There has been no change in this policy during the year under review.

The composition and terms of reference of Corporate Social Responsibility Committee are given in the Corporate Governance Report. The Annual Report on CSR activities (including the details of the development and implementation of the Corporate Social Responsibility Policy) as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as “Annexure I” to this Report.

For the purpose of Section 135 of the Companies Act, 2013, the amount equivalent to 2% of the average net profits of

the Company made during the immediately preceding three financial years works out to ₹203.97 lakhs. As against this, the Company had spent ₹212.63 lakhs on CSR projects / programs during the Financial Year 2024-25.

15. BOARD MEETINGS

A calendar of Meeting is prepared and circulated in advance to the Directors. The Board evaluates all the decisions on a collective consensus basis amongst the Directors. During the financial year ended 31st March 2025, 5 (five) Meetings of the Board of Directors of the Company were held. The details of the Board Meetings held during the year under review are given in the Corporate Governance Report forming a part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

The Company has complied with the applicable Secretarial Standards prescribed under Section 118(10) of the Companies Act, 2013.

16. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Finance & Corporate Affairs Committee

Details of composition, terms of reference and number of meetings held in in the financial year 2024-2025 for the aforementioned committees are given in the Report on Corporate Governance, which forms a part of this Report. Further, during the year under review, all recommendations made by the various committees have been considered and accepted by the Board.

17. INTERNAL COMPLAINTS COMMITTEE

An Internal Complaints Committee was constituted by the Company in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said Act aims at protecting women's right to gender equality, life and liberty at workplace to encourage women participation at work. The Committee meets all the criteria including its composition mentioned in the Act and relevant Rules. No complaint has been received by the Committee during the year under review.

18. LOANS, GUARANTEE AND INVESTMENTS

It is the Company's policy not to give any loans, directly or indirectly, to any person (other than to employees under contractual obligations) or to other body corporate or person. In compliance with section 186 of the Companies Act, 2013, loans to employees, if any, bear applicable interest rates. During the year under review, the Company has not made any investment in securities of other body corporate. The details of Investments, Loans and Guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

19. RELATED PARTY CONTRACTS / ARRANGEMENTS

All Related Party Transactions entered during the year were on arm's length basis and in the ordinary course of business. There have been no materially-significant related party transactions made by the Company with the Promoters, the Directors or the Key Managerial Personnel which may be in conflict with the interests of the Company at large. Accordingly, disclosure of contracts or arrangements with Related Parties as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

The Policy on Related Party Transactions as approved by the Board can be accessed on the Company's website at following web-link <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-Related-Party-Transaction-Policy.pdf> The details of related party transactions are set out in the notes to the financial statements.

20. RISK MANAGEMENT

In line with the regulatory requirements, the Company has formally framed Risk Management Policy to identify and assess the key risk areas, monitor and report the compliance and effectiveness of the same. A Risk Management Committee, has been constituted voluntarily to oversee the risk management process in the Company with an objective to review the major risks which effect the Company from both the external and the internal environment perspective. Appropriate actions have been initiated to either mitigate, partially mitigate, transfer or accept the risk (if need be) and monitor the risks on a regular basis. The details of the terms of reference, number and date of meeting, attendance of Directors and remuneration paid to them are separately provided in the Corporate Governance Report.

21. INTERNAL FINANCIAL CONTROLS

The Company has laid down internal financial control's, through a combination of Entity level controls, Process level controls and IT General controls inter-alia to ensure orderly and efficient conduct of business, including adherence to the Company's policies and procedures, accuracy and completeness of accounting records and timely preparation and reporting of reliable financial statements/information,

safeguarding of assets, prevention and detection of frauds and errors. The evaluations of these internal financial controls were done through the internal audit process and were also reviewed by the Statutory Auditors. Based on their view of these reported evaluations, the Directors confirm that, for the preparation of financial statements for the financial year ended 31st March, 2025, the applicable Accounting Standards have been followed and the internal financial controls are generally found to be adequate and were operating effectively & that no significant deficiencies were noticed.

22. WHISTLE BLOWER / VIGIL MECHANISM

The Company has established a vigil mechanism and adopted whistle blower policy, pursuant to which whistle blowers can report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct policy. During the year under review, there has been change in this policy with respect to leak or suspected leak of Unpublished Price Sensitive Information has been incorporated so that whistle blowers can report concerns. The mechanism provides adequate safeguards against victimisation of persons who use this mechanism. The brief detail about this mechanism may be accessed on the Company's website at the <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-Whistle-Blower-Policy.pdf>

23. CORPORATE GOVERNANCE & ANNUAL RETURN

Your Directors strive to maintain highest standards of Corporate Governance. The Corporate Governance Report for the Financial Year 2024-2025 is attached as **"Annexure B"** to this Report. All the Director's of the Company and Senior Management Personnel have confirmed the compliance of Code of Conduct of the Company. The declaration of the Whole-time Director confirming compliance with the 'Code of Conduct' of the Company is enclosed as **"Annexure C"** to this Report and Auditor's Certificate confirming compliance with the conditions of Corporate Governance is enclosed as **"Annexure D"** to this Report.

As per the provisions of Section 92(3) of the Companies Act, 2013, the Annual Return of the Company for the Financial Year 2024-25 is available on Company's website at the weblink <https://magadhsugar.com/annual-return/>

24. RESEARCH & DEVELOPMENT

During the year under review the Company has undertaken Research & Development initiatives with an intention to improve the sugar recovery ratio and to educate the cane growers to cultivate improved variety of sugarcane and to otherwise increase the sucrose contents in their produce.

25. AUDITORS, AUDIT QUALIFICATIONS AND BOARD'S EXPLANATIONS

STATUTORY AUDITORS

The shareholders of the Company, at the AGM held on 21st July, 2022, had appointed M/s B S R & Co LLP, Chartered Accountants, (Firm Registration No. 101248W/W-100022), as Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of the 8th (eighth) Annual General Meeting of the Company held on 21st July, till the conclusion of the 13th (Thirteenth) Annual General Meeting of the Company.

The Notes to the Financial Statements read with the Auditor's Reports are self-explanatory and therefore, do not call for further comments or explanations. There has been no qualification, reservation, adverse remark or disclaimer in the Auditor's Reports.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Sugar activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s D Radhakrishnan & Co., Cost Accountants, as the Cost Auditor to audit the cost accounts of the Company for the financial year 2025-26. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members at the ensuing Annual General Meeting for their ratification.

SECRETARIAL AUDITOR

Pursuant to the amended provisions of Regulation 24A of the SEBI Listing Regulations and Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, based on the recommendation of the Audit Committee has approved the appointment of Messrs Vinod Kothari & Co., Practising Company Secretaries (Firm Registration Number P1996WB042300), as Secretarial Auditors of the Company for a period of five consecutive years commencing from Financial Year 2025-2026 to 2029-2030, subject to approval of the shareholders at the ensuing Annual General Meeting.

The Secretarial Audit Report for the Financial Year ended 31st March, 2025 issued by the Secretarial Auditor, does not contain any qualification, reservation, adverse remark or disclaimer. The said Report is annexed to this Board's Report as **Annexure-F**.

During the year, the auditors, the secretarial auditors and cost auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

26. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **"Annexure G"**.

27. PARTICULARS OF EMPLOYEES

The human resource is an important asset which has played pivotal role in the performance and growth of the Company over the years. Your Company maintains very healthy work environment and the employees are motivated to contribute their best in the working of the Company. The information required to be disclosed in pursuance of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **"Annexure H"** to this Report and forms an integral part of this Report.

28. 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 Companies Act, 2013:

- that in the preparation of the annual financial statements for the year ended 31st March, 2025 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 3 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

29. CEO/CFO CERTIFICATION

Mr. Chandra Mohan, the Whole time Director and Mr. Manoj Prasad, Chief Financial Officer have submitted certificates to the Board as contemplated under Regulation 17(8) of the Listing Regulations, 2015. Since your Company does not have a designated Chief Executive Officer, the aforesaid certificate is being signed by Mr. Chandra Mohan, Whole-time Director of your Company which is line with the Frequently Asked Questions issued by Securities and Exchange Board of India..

30. ACKNOWLEDGEMENT

Your Directors take this opportunity of recording their appreciation of the shareholders, financial institutions, bankers, suppliers and cane growers for extending their support to the Company. Your Directors are also grateful to various ministries in the Central Government and State Government of Bihar, the Sugar Directorate and the Sugar Development Fund for their continued support to the Company. The Board of Directors also convey its sincere appreciation of the commitment and dedication of the employees at all levels.

For and on behalf of the Board

Chandra Shekhar Nopany

Chairperson

DIN - 00014587

Place : Kolkata

Dated : 13th May, 2025

Management Discussion and Analysis

Economic review

Global economic review

Overview: Global economic growth declined marginally from 3.3% in 2023 to an estimated 3.2% in 2024. This was marked by a slowdown in global manufacturing, particularly in Europe and parts of Asia coupled with supply chain disruption and weak consumer sentiment. In contrast, the services sector performed more creditably.

The growth in advanced economies remained steady at 1.7% from 2023 to 2024 as the emerging cum developing economies witnessed a growth decline at 4.2% in 2024 (4.4% in 2023).

On the positive side, global inflation was expected to decline from 6.1% in 2023 to 4.5% in 2024 (projected at 3.5% and 3.2% in 2025 and 2026 respectively). This decline was attributed to the declining impact of erstwhile economic shocks, and labour supply improvements. The monetary policies announced by governments the world over helped keep inflation in check as well.

The end of the calendar year was marked by the return of Donald Trump as the new US President. The new US government threatened to impose tariffs on countries exporting to the US unless those countries lowered tariffs for the US to export to their countries. This enhanced global trade and markets uncertainty and emerged as the largest singular uncertainty in 2025. In view of this, World Bank projected global economic growth at 2.7 per cent for 2025 and 2026, factoring the various economic uncertainties.

Regional growth (%)	2024	2023
World output	3.2	3.3
Advanced economies	1.7	1.7
Emerging and developing economies	4.2	4.4

(Source: IMF, KPMG, Press Information Bureau, BBC, India Today)

Performance of the major economies, 2024

United States: Reported GDP growth of 2.8% in 2024 compared to 2.9% in 2023.

China: GDP growth was 5.0% in 2024 compared to 5.2% in 2023.

United Kingdom: GDP growth was 0.8% in 2024 compared to 0.4% in 2023.

Japan: GDP growth was 0.1% in 2024 compared with 1.9% in 2023.

Germany: GDP contracted by 0.2% in 2024 compared to a 0.3% decline in 2023.

(Source: CNBC, China Briefing, ons.gov.uk, Trading Economics, Reuters)

Outlook: The global economy has entered a period of uncertainty following the imposition of tariffs of products imported into the USA and some countries announcing reciprocal tariffs on US exports to their countries. This is likely to stagger global economic growth, the full outcome of which cannot be currently estimated. This risk is supplemented by risks related to conflicts, geopolitical tensions, trade restrictions and climate risks. (Source: IMF, United Nations)

Indian economic review

Overview: The Indian economy was projected to grow at 6.5% in 2024-25, compared to a revised 9.2% in 2023-24. This represented a four-year low due to a moderate slowdown within the Indian economy (marked by slower manufacturing growth and a decline in net investments). Despite the slowdown, India retained its position as the world's fifth-largest economy.

India's nominal GDP (at current prices) was ₹331 trillion in 2024-25 (₹301.23 trillion in 2023-24). The nominal GDP per capita increased from ₹2,15,936 in 2023-24 to ₹2,35,108 in 2024-25, reflecting the impact of an economic expansion.

The Indian rupee weakened 2.12% against the US dollar in 2024-25, closing at ₹85.47 on the last trading day of 2024-25. In March 2025, the rupee recorded the highest monthly appreciation since November 2018, rising 2.39% (arising out a weakening US dollar).

Inflationary pressures eased, with CPI inflation averaging 4.63% in 2024-25, driven by moderating food inflation and stable global commodity prices. Retail inflation at 4.6% in 2024-25, was the lowest since the pandemic, catalysing savings creation.

India's foreign exchange reserves stood at a high of USD 676 Billion as of April 4, 2025. This was the fourth consecutive year when rating upgrades outpaced downgrades on account of strong domestic growth, rural consumption, increased infrastructure investments and low corporate leverage (annualized rating upgrade rate 14.5% exceeded the decade-long average of 11%; downgrade rate was 5.3%, lower than the 10-year average of 6.5%).

Gross inward foreign direct investment revived in 2024-25, rising 20.6% YoY from USD 51.8 Billion in the first eight months of 2023-24 to USD 62.5 Billion during the same period in 2024-25. However, the net foreign direct investment in India declined from USD 7.84 Billion in the first nine months of 2023-24 to USD 1.18 Billion in the corresponding period in 2024-25, followed increased repatriation and investments by Indian firms across international geographies.

Growth of the Indian economy

Regional growth (%)	FY22	FY23	FY24	FY25
Real GDP growth (%)	8.7	7.2	9.2	6.5

(Source: MoSPI, Financial Express)

Growth of the Indian economy quarter by quarter, 2024-25

Regional growth (%)	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Real GDP growth (%)	6.5	5.6	6.2	7.4

(Source: The Hindu, National Statistics Office)

The banking sector continued its improvement, with gross non-performing assets (NPA) for scheduled commercial banks (SCBs) declining to 2.6% as of September 2024, down from 2.7% in March 2024. The capital-to-risk-weighted assets ratio for SCBs stood at 16.7% as of September 2024, reflecting a strong capital position.

India's exports of goods and services are projected to reach USD 800 Billion in 2024-25, up from USD 778 Billion in the previous fiscal year. The Red Sea crisis impacted shipping costs, affecting price-sensitive exports. Merchandise exports were expected to grow 2.2% YoY, reaching USD 446.5 Billion.

India's net GST collections increased 8.6%, totalling ₹19.56 Lakh Crore in 2024-25. Gross GST collections in 2024-25 stood at ₹22.08 Lakh Crore, a 9.4% increase YoY.

On the supply side, real gross value added (GVA) was estimated to expand 6.4% in 2024-25. The industrial sector was expected to grow 6.2%, supported by growth in construction activities, electricity, gas, water supply and other utility services.

India's services sector grew an estimated 7.3% in 2024-25 (9.0% in 2023-24), driven by public administration, defence and other services (expanded at 8.8% as in the previous year). In the infrastructure and utilities sector, electricity, gas, water supply and other utility services grew a projected 6.0% in 2024-25, compared to 8.6% in 2023-24. Meanwhile, the construction sector expanded at ~8.6% in 2024-25, slowing from 10.4% in the previous year.

Manufacturing activity was subdued in 2024-25, with growth projected at 4.3%, which was lower than 12.3% in 2023-24. Moreover, due to lower public spending in the early part of the year, government final consumption expenditure (GFCE) is anticipated to have slowed to 3.8% in 2024-25, compared to 8.1% in 2023-24.

The agriculture sector growth was estimated at 3.8% in 2024-25 (1.4% in 2023-24). Trade, hotel, transport, communication and services related to broadcasting segment were estimated to grow at 6.4% in 2024-25 (6.3% in 2023-24).

From a demand perspective, private final consumption expenditure at constant prices was expected to grow 7.3%, indicating a rebound in rural demand and stronger consumer confidence.

The Nifty 50 and SENSEX recorded their weakest annual performances in 2024-25 in two years, rising 5.3% and 7.5% during the year under review respectively. Gold rose 37.7% to a peak of USD 3,070 per ounce, the highest increase since FY 2007-08, indicating global uncertainties.

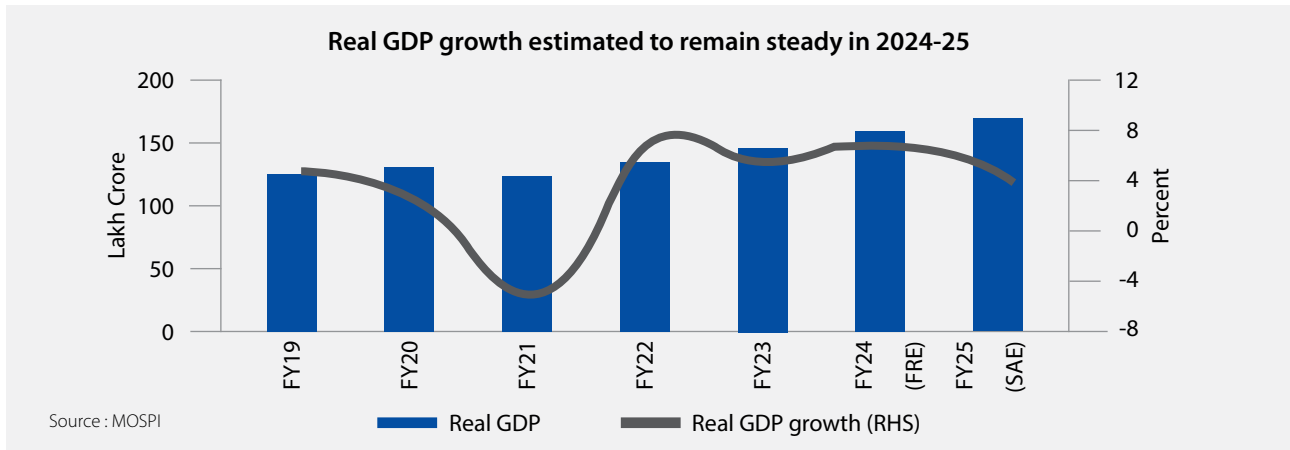
Total assets managed by the mutual fund (MF) industry jumped 23% or ₹12.3 Lakh Crore in fiscal 2025 to settle at ₹65.7 Lakh Crore. At close of 2024-25, the total number of folios had jumped to nearly 23.5 Crore, an all-time peak. During last fiscal, average monthly systematic investment plan (SIP) contribution jumped 45% to ₹24,113 Crore.

Foreign portfolio investments (FPIs) in India experienced high volatility throughout 2024, with total inflows into capital markets reaching approximately USD 20 Billion by year-end. However, there was significant selling pressure in the last quarter, influenced by new tariffs announced by the new US government on most countries (including India).

Outlook: India is expected to remain the fastest-growing major economy. Initial Reserve Bank of India estimates have forecast India's GDP growth downwards from 6.7% to 6.5% based on risks arising from US tariff levies on India and other countries. The following are some key growth catalysts for India in 2025-26.

Tariff-based competitiveness: India identified at least 10 sectors such as apparel and clothing accessories, chemicals, plastics and rubber where the US' high tariffs give New Delhi a competitive advantage in the American market over other suppliers. While India faced a 10% tariff after the US suspended the 26% additional duties for 90 days, the levy remained at 145% on China, the biggest exporter to the US. China's share of apparel imports into the US was 25%, compared with India's 3.8%, a large opportunity to address differential (Source: Niti Aayog).

The Union Budget 2025-26, anchored in the vision of Viksit Bharat, outlines a strategic growth agenda with a focus on agriculture, MSMEs, investments, and exports as key growth drivers. It underscores the government's commitment to long-term development and economic resilience. While geopolitical tensions, global trade uncertainties, and commodity price volatility continue to pose risks to the global and domestic outlook, India's economic fundamentals remain sound. In 2025-26, private sector capital formation, along with supportive fiscal policy, an accommodative monetary stance, and a reform-oriented policy framework, is expected to drive continued growth and stability.



The global sugar market outlook for the 2024/25 season indicates a widening deficit, with production expected to decline significantly from the previous year. Global sugar production is expected to fall by 5.844 Million tonnes, reaching 175.540 Million tonnes, while consumption is revised downward to 180.421 Million tonnes, reflecting slower growth. Key production regions such as Brazil, India, and the southern hemisphere have experienced disappointing seasons, contributing to the overall deficit. Despite lower prices, stock levels are projected to decrease, leading to a reduction in global sugar inventories. This shift, combined with modest trade deficits and challenges in production costs, suggests a tightening of the market.

Overview

Particulars	2024/25	2023/24	Change in Million Tonne	Change in %
Production	175.540 ▼	181.384	-5.844	-3.22
Consumption	180.421 ↑	179.972	0.449	0.25
Surplus/ Deficit	-4.881 ▼	1.412		
Import demand	63.324 ▼	69.119	-5.795	-8.38
Export availability	62.661 ▼	69.635	-6.974	-10.02
End stocks	93.597 ▼	97.815	-4.218	-4.31
Stocks/ Consumption ratio in %	51.88 ▼	54.35		

Source: ISO – Quarterly Market Outlook, February 2024

- Production:** Global sugar production in 2024/25 is projected to reach 175.54 Million tonnes, a decrease of 5.84 Million tonnes from the previous season. The revision is mainly due to poor harvests in southern hemisphere countries like Brazil, Australia, and South Africa, and a significant decline in India's production due to disease and poor yields. India's output is now expected to fall by 5.82 Million tonnes compared to 2023/24, partly due to a larger diversion of sucrose to ethanol production, early closure of mills due to low yields and delay in crushing season. Other key revisions include a lower-than-expected sugar output in Brazil and Pakistan, with a small increase in Thailand's production. Despite the drop in global production, sugar prices remain strong in domestic markets worldwide.

Production rises and falls in 2024/25 (October/September)

Rises	Changes from 2023/24 in Milliontonnes, tel quel	Falls	Changes from 2023/24 in Milliontonnes, tel quel
Thailand	+1.675	India	-5.82
EU	+1.021	Brazil	-3.979
China	+0.950	Pakistan	-0.686

- Consumption:** Global sugar consumption for the 2024/25 season is expected to reach 180.421 Million Tonnes, marking a modest growth of 0.25%, a significant slowdown from the previous year's 1.46% increase. Several regions are experiencing declines in consumption, particularly in Western Europe and North America, where health concerns, obesity issues, and product reformulations are driving down sugar demand. The rise of sugar alternatives like high-intensity sweeteners and fructose syrups further contributes to this trend. In contrast, regions such as Equatorial & Southern Africa and South America are seeing higher growth rates, with Equatorial & Southern Africa leading at 1.6%. However, Far East & Oceania is projected to experience a decline of 0.4%, primarily due to reduced sugar imports in China and market access restrictions in countries like Indonesia and the Philippines. While overall global growth is slower, regions in Africa, South America, and parts of Asia are still driving moderate increases in consumption.

Fig. A22 Growth rates of global consumption (in %)

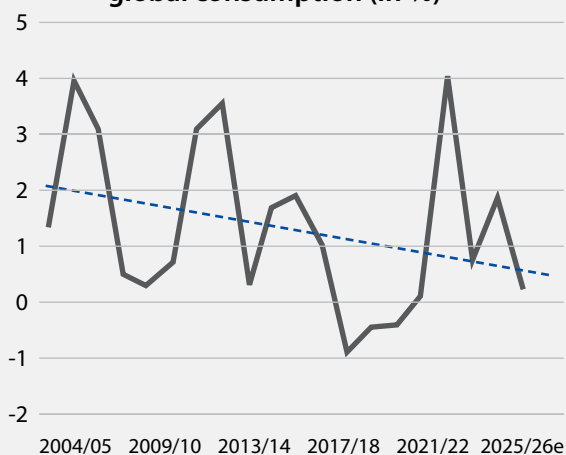
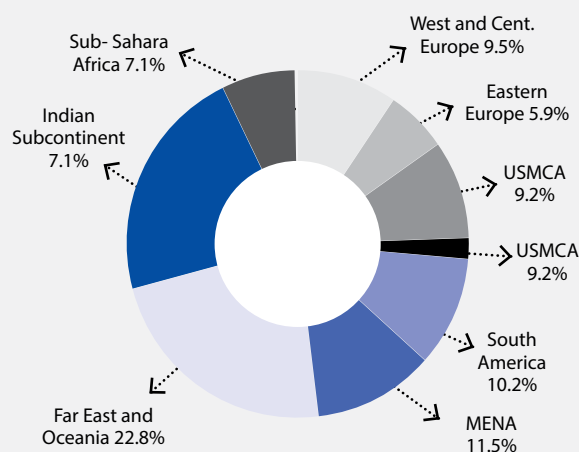
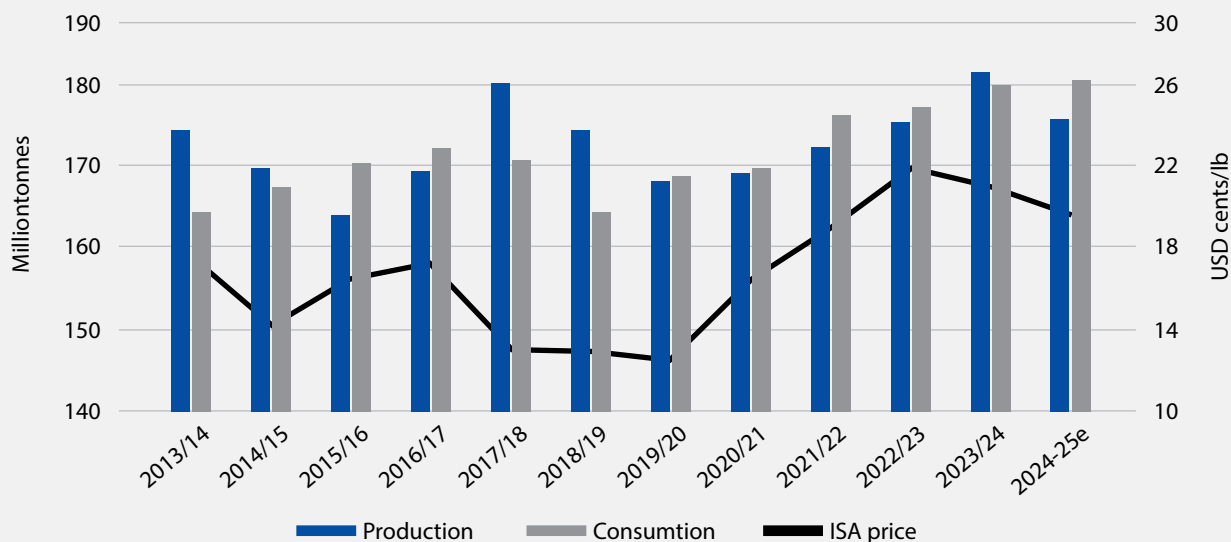


Fig. A23 Regional sugar consumption in 2024/25

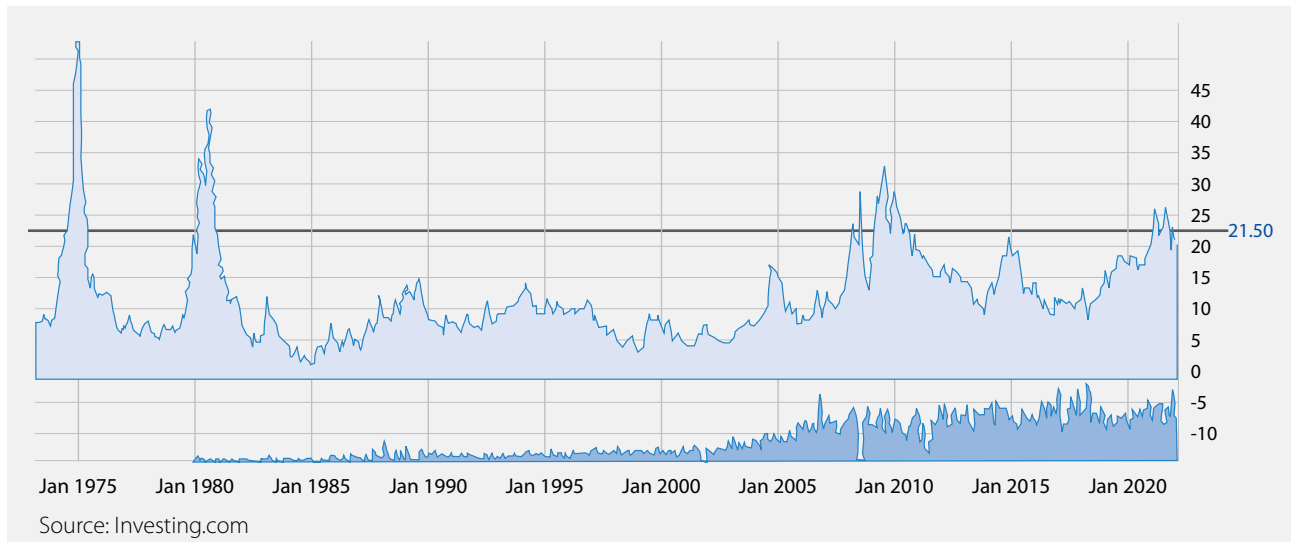


- Exports:** In 2024/25, global sugar exports are projected to total 62.661 Million tonnes, down 10% from the previous season. Brazil's exports are expected to decline by 6.568 Million tonnes to 32.140 Million tonnes, while Thailand's exports are set to rise by 1.675 Million tonnes to 7.600 Million tonnes, reaching a four-season high. Despite Brazil's increasing dominance in the global sugar market, challenges such as supply-chain considerations and freight costs may affect its future market share. Exports from Thailand and Central America are expected to help fill the supply gap. India's export program for 2024/25, mainly driven by SEZ-based refining, faces slow progress, with only 40% of the planned volume being traded so far.

Fig. A1 World production, consumption and ISA price



Global sugar price



Domestic sugar industry

Overview

The Indian sugar industry is navigating a dynamic and transformative period, shaped by evolving domestic policies, volatile global markets, and a significant shift toward green energy. Despite headwinds such as declining sugarcane yields and subdued domestic prices, recent policy realignments and proactive government support have laid the foundation for long-term structural changes that are expected to redefine the sector's future trajectory.

India's sugar production for the 2024–25 crushing season is projected to decline to approximately 26 Million metric Tonnes, down sharply from 32 Million metric Tonnes in the previous year. This reduction is attributed to lower cane yields in major producing states like Maharashtra, Karnataka, and Uttar Pradesh, which collectively account for over 80% of the country's sugar output. Delays in crushing operations—particularly in Maharashtra—have further dampened seasonal output. As of March 2025, production stood at 24.85 Million metric Tonnes, marking a 17.85% decrease compared to the same period in the previous year.

While not among the top three producing states, Bihar remains a strategically important and rapidly emerging player in India's sugar and ethanol sectors. The state cultivates sugarcane across approximately 230,000 hectares, generating close to 13 Million metric Tonnes of cane annually. Of the 28 sugar mills in Bihar, 11 are operational, producing nearly 277,000 metric Tonnes of sugar per year. Districts such as West Champaran, Gopalganj, and East Champaran dominate sugarcane cultivation and contribute significantly to state output.

One of the notable challenges confronting the industry is the increasing diversion of sugarcane towards ethanol production under the Ethanol Blending Programme (EBP). For Ethanol Supply

Year (ESY) 2024–25, the sugar industry initially offered to divert 50 LMT of equivalent sugar. Oil Marketing Companies (OMCs) have allocated 40 LMT, though actual diversion is now expected to be around 32 LMT. By March 2025, approximately 29 LMT of sugar had already been diverted. However, the absence of a price increase for ethanol derived from sugarcane juice and B-heavy molasses has made sugar production relatively more economical. As a result, an additional 3 LMT of sugar production is anticipated in place of diversion.

On the ethanol front, Bihar has taken a proactive lead. As of early 2025, the state has 9 operational ethanol units with a combined daily capacity of around 1,500 kilolitres (KLPD). These units use diverse feedstocks, including sugarcane juice, B-heavy molasses, maize, and broken rice, showcasing Bihar's multi-feedstock flexibility. The Ethanol Production Promotion Policy, 2021, and consistent state support have accelerated investments and output, helping Bihar emerge as a key contributor to India's biofuel targets.

Production overview:

As of March 31, 2025, India's sugar production stood at 248.50 Lakh tonnes, as reported by the National Federation of Co-operative Sugar Factories Ltd (NFCSE). The crushing season, spanning October to September, saw 113 mills still operational across the country.

Uttar Pradesh led the nation, producing 87.7 Lakh tonnes from 57 operational factories. Production is projected to reach 92.5 LMT by the end of the season, supported by strong plant cane yields and improved recovery rates.

Maharashtra ranked second with 80.20 Lakh tonnes, despite just six mills running at the time. The total output for the state is expected to reach 80.95 LMT.

Karnataka followed with 39.90 Lakh tonnes, with four mills currently active. A special crushing season (June to September) in South Karnataka is likely to increase total production to 42 LMT.

Bihar produced 6.20 Lakh tonnes of sugar as of March 31, 2025, compared to 6.85 Lakh tonnes during the same period last year, reflecting a modest decline. The state crushed approximately 63.92 Lakh tonnes of sugarcane, with an expected recovery rate of 9.70%. As of the reporting date, no mills are currently operational,

and the total sugar production for the 2024–25 season is estimated to remain at 6.20 LMT. Despite the limited scale compared to leading sugar-producing states, Bihar continues to strengthen its position in the eastern sugar belt through improvements in cane availability and government-supported modernization initiatives.

Taking into account the diversion of 32 lakh tonnes of sugar for ethanol production, it is estimated the gross sugar production for the 2024–25 season to be 260.85 lakh tonnes.

Sl. No.	Particulars	No. of working factories		Actual sugar production (after diversion into ethanol)	
		2024-25	2023-24	2024-25	2023-24
1	Uttar Pradesh	57	74	87.70	97.20
2	Maharashtra	6	67	80.10	107.30
3	Karnataka	4	4	39.90	50.10
4	Others*	46	59	40.80	47.90
	Total	113	204	248.50	302.50

Source: ISMA (as of 31/3/25)

Indian sugar Balance Sheet

Particulars	2024-25 (E)
Opening balance as on October 1 (LMT)	85.15
Sugar Production (LMT)	260.85
Domestic consumption (LMT)	290.0
Sugar exports (LMT)	10
Closing balance as on September 30 (LMT)	46

Exports: India has received government approval to export 1 Million metric Tonnes of sugar for the 2024-25 season, aimed at alleviating surplus stocks and supporting domestic prices, which are at their lowest in 18 months. The limited export quota this year is expected to put pressure on global sugar prices but provide much-needed relief to local mills. However, it is projected that India will export upto 8 Lakh Tonnes of sugar in 2024-25 season, falling short of 10 Lakh ton Quota. As of now, 3 Lakh Tonnes have been shipped with another 60000 Tonnes in port. With stronger production anticipated next year, this move is seen as a temporary but positive measure for the sugar sector. As of the 2024–25 crushing season, Bihar has not been a significant contributor to India's sugar exports. The state's total sugar production—estimated at 6.20 Lakh metric tonnes—is primarily utilized for domestic consumption and for supporting local ethanol production units. Given the modest production volume, high internal demand, and limited export-grade infrastructure, no notable sugar exports from Bihar have been reported during this season except some quantity for Nepal. The focus in Bihar remains on maximizing recovery, improving productivity, and expanding ethanol output under the Ethanol Blending Programme rather than on entering export markets.

Policy and market developments

In recent years, the government has implemented various policies aimed at supporting the sugar industry, with a specific focus on benefiting farmers. This ongoing support, coupled with a growing emphasis on diverting resources towards ethanol production to bolster the Ethanol Blending Program in India, indicates promising prospects for the sugar sector in the future.

For the 2024–25 sugar season, the Bihar government increased the SAP by ₹10 per quintal across all sugarcane varieties to support farmers amid declining production. The revised SAP rates are:

Early (best) variety: ₹365 per quintal

Common variety: ₹345 per quintal

Lower variety: ₹310 per quintal

The press note issued by the Government of Bihar also specified that transportation charges for lifting of sugarcane from outside centres have been fixed at ₹7.50 per quintal, with no revision announced for the 2023–24 sugar season. This rate continues to apply uniformly across mills to compensate for the logistical costs incurred during inter-village and inter-zone cane movement

The Government of India imposed 50% export duty on molasses-by-product of sugar industry used in alcohol production, with effect from January 18, 2024.

Ethanol industry

The ethanol industry in India has undergone significant transformation, driven by government policy initiatives and a strategic push towards energy security, rural development and environmental sustainability. Central to these efforts is the National Policy on Biofuels, 2018, as amended in 2022, which set ambitious targets to reduce India's dependence on crude oil imports and enhance domestic renewable fuel production.

Ethanol Blending Program (EBP)

As of February 28, 2025, the blending rate is 17.98% and it is estimated that India will achieve 20% ethanol blending rate in petrol by March 2025, five years ahead of the original 2030 deadline. The Government is now considering to increase the Ethanol blending target to 30% by 2030, reflecting the rapid progress and success of the current program. As of January 2025, Monthly blending rate was 19.6% and as of February 2025, it was 19.68%.

The government's accelerated timeline and commitment to the ethanol blending program have placed India on track to meet the target of 20% ethanol blending in petrol by 2025-26, contributing to reduced fuel import bills, cleaner-burning fuels and also to support for sugarcane/grain based rural economies.

Ethanol supply and feedstock utilization

To ensure stable ethanol production, the government allows a flexible feedstock policy. Approved materials include:

Sugarcane-based sources: Juice, syrup, B-heavy and C-heavy molasses

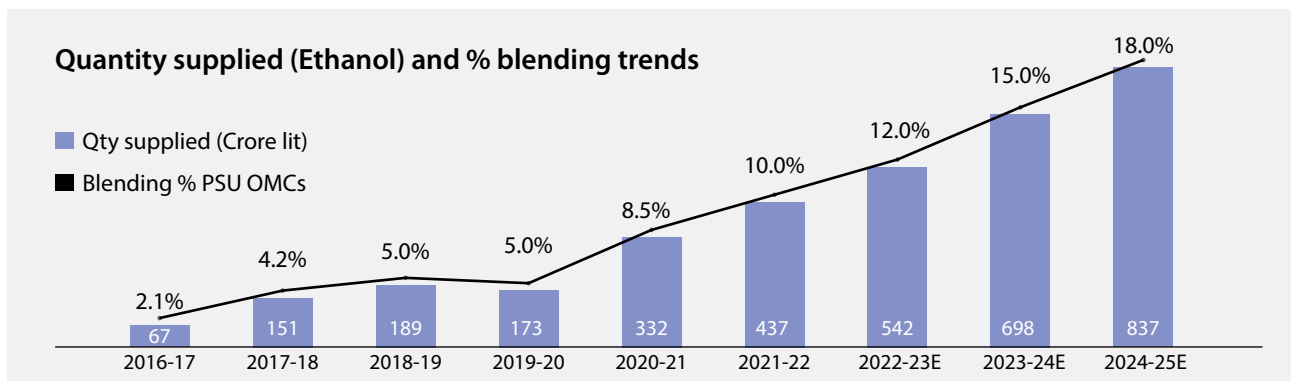
Grains: Surplus broken rice, maize, and others

Biomass residues: Bagasse, cotton stalks, cassava, etc.

To meet increasing demand for ethanol, India has shifted from being a net exporter to a net importer of corn, primarily sourcing from Myanmar and Ukraine. This multi-feedstock approach enhances supply reliability and buffers against agricultural or market fluctuations. In Bihar, this flexible policy has enabled the growth of grain- and molasses-based ethanol plants, leveraging both sugarcane and surplus grain availability in the state. The ethanol industry here is supported by the Bihar Ethanol Production Promotion Policy, 2021, and regulated at the national level by the National Biofuel Coordination Committee (NBCC) to ensure alignment with food security and fuel supply priorities.

Impact on vehicle performance

The roadmap for Ethanol Blending in India, 2020-25, prepared by an inter-ministerial committee, indicates that the blending of ethanol up to 20% (E20) will result in only a marginal reduction in fuel efficiency for vehicles originally designed for E10. The Society of Indian Automobile Manufacturers (SIAM) has reported that, with modifications in engine hardware and tuning, any potential efficiency losses can be minimized. Furthermore, no major issues have been observed in terms of vehicle performance, engine wear, or deterioration of engine oils with the use of E20 fuel. This ensures that the transition to higher ethanol blending levels is both technically feasible and commercially viable.



Co-generation

The sugarcane industry's by-product, bagasse, presents a valuable opportunity for power cogeneration, promoting energy efficiency and contributing to a cleaner energy landscape. This process offers numerous benefits, including zero carbon emissions, reduced fuel costs, fuel diversity, and enhanced energy security. As consumers increasingly prioritize quality, sugar manufacturers are optimistic about significant growth in the domestic market for refined sugar.

In November 2022, the Ministry of New and Renewable Energy (MNRE) launched the National Bioenergy Program, allocating ₹1,715 Crore for the period from April 1, 2021, to March 31, 2026. This initiative aims to promote the establishment of bioenergy plants and enhance the utilization of biomass resources.

As of January 2025, India boasts an installed capacity of 10,232 MW for biomass power generation, encompassing both bagasse cogeneration and non-bagasse cogeneration plants. Maharashtra and Uttar Pradesh account for nearly 45% of this total capacity. Recent data indicates that biomass energy contributes approximately 10.72 GW to India's renewable energy mix, with 9.80 GW coming specifically from bagasse-based cogeneration.

The growth in biomass power is supported by various government initiatives aimed at enhancing renewable energy capacity. Between April and December 2024, India added 18.83 GW of renewable energy capacity, further aligning with its goal of achieving 500 GW of non-fossil fuel-based capacity by 2030. The government continues to encourage the establishment of new and efficient biomass energy plants through financial assistance and policy support.

(Source: Chin mandi, PIB, Mnre.gov, PwC, Nredcap)

Government policies

Initiatives in the sugar sector: The sugar industry is undergoing significant transformations, driven by various initiatives. One notable example is AgriStack, which is revolutionizing agri-statistics and data management. This initiative is essential for formulating suitable policies and ensuring timely government intervention. Moreover, the use of Artificial Intelligence (AI), Machine Learning (ML), and remote sensing technologies is crucial for enhancing crop quality and productivity. (Source: PIB)

Antyodaya Anna Yojana Program: The government has revised the sugar subsidy scheme to provide subsidized sugar to beneficiaries of the Antyodaya Anna Yojana program. Under this scheme, one kilogram of sugar will be distributed to each family per month at a subsidized rate of ₹18.50 per kilogram. The States and union territories can charge extra expenses, such as shipping and handling fees, which will be borne by the beneficiary. (Source: Wright research)

National Biofuel policy: The National Biofuel Policy aims to achieve a national average ethanol blend rate of 20% in gasoline by 2025. To reduce dependence on fossil fuels, the government

promotes ethanol blending with gasoline, which may lead to competition for sugarcane between the sugar and ethanol industries. The program focuses on increasing ethanol production from sugarcane, broken grains, and other feedstock. (Source: Wright research, Economic Times)

Demand drivers in the sector

Availability of sugarcane: The increased FRP of ₹3400 per tonne is expected to incentivize farmers to cultivate more sugarcane, potentially increasing its availability.

Domestic sugar consumption: Domestic sugar consumption has reached 290 Lakh metric tonnes, driven by rising demand. To meet this demand, efficient production and distribution systems are essential.

Minimum support price and ethanol prices: Proposals to increase the MSP of sugar are underway, aiming to stabilize the market and ensure fair returns for producers. The ethanol price hikes are being considered to boost the ethanol blending program and provide an alternative revenue stream for sugar mills.

Export of sugar: Favourable global sugar prices create opportunities for exporting sugar, helping balance domestic supply and demand and improving the financial health of sugar mills.

Ethanol blending: The government is considering blending 5% ethanol in diesel, in addition to the existing 20% blending in petrol. This initiative aims to reduce fossil fuel dependence and promote cleaner energy sources.

Environmental considerations: Emphasis on sustainable agricultural practices and efficient water usage is crucial to mitigate environmental impacts and ensure the long-term viability of sugarcane farming.

Rising demand for sweets and chocolates boosts sugar consumption: The increasing popularity of sweets and chocolates is significantly driving up sugar demand, providing a substantial growth impetus to the sugar industry. As consumers develop a sweeter tooth, the sugar industry is poised to benefit from this trend, with rising demand for sugar as a key ingredient in the production of sweets and chocolates.

Market dynamics: The combination of increased domestic consumption, potential MSP hikes, and strong export opportunities is likely to stabilize sugar prices. Government policies on ethanol blending and support prices will significantly influence market dynamics.

SWOT analysis

Strengths

Significant global position: India holds a notable position in the global sugar market, influencing world sugar prices.

High sugarcane production: India has high sugarcane production, providing a robust raw material base.

Traditional knowledge: The country has traditional knowledge in jaggery and khandsari sugar production.

Raw material availability: India has an abundance of raw materials, ensuring a steady supply for sugar production.

Weaknesses

Low sugarcane yield: India's sugarcane yield is lower compared to other countries, affecting productivity.

High cost of production: Labour-intensive harvesting, poor infrastructure, and high energy expenses contribute to high production costs.

Small and uneconomic size of mills: Many sugar mills in India are small and uneconomic, hindering efficiency and competitiveness.

Use of old and obsolete machinery: Outdated machinery affects productivity, quality, and overall efficiency of sugar production.

Opportunities

Growth in domestic demand: Rising domestic demand for sugar and sugar products presents opportunities for growth.

Increasing exports: India's sugar exports can increase, driven by favourable global prices and demand.

Increasing prospects for sugar beet production: Sugar beet production offers an alternative source of sugar, diversifying India's sugar production base.

Good prospect of the product: Jaggery and khandsari sugar have good market prospects, driven by consumer preferences for natural and organic products.

Threats

Political factors: Political decisions, such as export-import policies and subsidies, can impact the sugar industry.

Competition with khandsari and gur: Alternative forms of sugar, like khandsari and gur, compete with refined sugar for market share.

Regional imbalances in distribution: Regional disparities in sugar distribution can lead to supply chain inefficiencies.

Fluctuation of price: Volatile global sugar prices can affect India's sugar industry, impacting profitability and stability.

(Source: IIDE.co, Ken research, Research gate, The pharma journal)

Company Performance

Overview

Magadh Sugar & Energy Limited is a part of the prestigious K. K. Birla Group of Sugar Companies. Established in 1932, the Group is in the sugar business for over 7 decades and consequent upon various schemes of merger and demerger, this Company was formed in 2015. Magadh Sugar & Energy Limited (Magadh) is an integrated sugar player dealing in sugar, spirits & ethanol, cogeneration and other by-products. Magadh has three sugar mills at Bihar with a combined crushing capacity of 21,500

TCD. Magadh has distilleries with a total capacity of 155 KLPD. Cogeneration facilities with capacity of 38 MW.

Financial overview

Analysis of the Profit and Loss Statement

Revenues: Revenues from operations increased from ₹109658.03 Lakhs in 2023-24 to ₹132228.50 Lakhs in 2024-25

Expenses: Total expenses increased by [25.04]% from ₹94,155.80 Lakhs to ₹[1,17,732.65] Lakhs. Raw material costs, accounting for a [64.13]% share of the company's revenues in 2024-25. Employees expenses, accounting for a 5.05% share of the company's revenues from operations in 2024-25 from 5.71% operation in 2023-24.

Analysis of the Balance Sheet

Sources of funds: The capital employed by the Company were ₹1,59,642.67 Lakhs as on March 31, 2025 as against ₹1,43,109.03 Lakhs as on March 31, 2024. Return on capital employed, a measurement of returns derived from every rupee invested in the business, was 11.67% in 2024-25.

The net worth of the Company was ₹83,394.98 Lakhs as on March 31, 2025 as against ₹74,560.76 Lakhs as on March 31, 2024. The Company's equity share capital, comprising [1,40,91,630] equity shares of ₹10 each, remained unchanged during the year under review.

Long-term debt of the Company was ₹17,477.34 Lakhs as on March 31, 2025. The debt-equity ratio of the Company stood at 0.85 in 2024-25 compared to 0.85 in FY 2023- 24.

Finance costs of the Company increased by 17.92% from ₹3,261.74 Lakhs in 2023-24 to ₹3,846.39 Lakhs in 2024-25. The Company's debt service coverage ratio stood at a comfortable 2.06x at the close of 2024-25 as against 1.76x at the close of 2023-24.

Applications of funds: Fixed assets (gross) of the Company was ₹1,07,804.35] Lakhs as on March 31, 2025 as against ₹95,053.00 Lakhs as on March 31, 2024. Depreciation on tangible assets was ₹2,742.09 Lakhs in 2024-25 as against ₹2,542.54 Lakhs in 2023-24 during the year under review.

Working capital management: Current assets of the Company were ₹74,031.66 Lakhs as on March 31, 2025 as against ₹80,029.67 Lakhs as on March 31, 2024. The Current ratio of the Company stood at 1.19 at the close of 2024-25 compared to 1.08 at the close of 2023-24

Inventories, including raw materials, work-in-progress and finished goods, among others, was ₹70,021.58 Lakhs as on March 31, 2025 as against ₹74,970.74 Lakhs as on March 31, 2024. The inventory: turnover ratio was 1.31 times as against 1.16 times in 2023-24. Trade receivables were ₹2234.31 Lakhs as on March 31, 2025 as against ₹3,514.83 Lakhs as on March 31, 2024. All receivables were secured and considered good.

Margins: The EBITDA margin of the Company is []% in 2024-25 while the net profit margin of the Company is []%.

KEY RATIOS

Particulars	2024-25	2023-24
Total debt-equity ratio	0.85	0.85
Return on capital employed (%)	12%	13%
Earnings per share (₹)	77.67	82.61
Trade receivable turnover ratio	45.06	31.45
Inventory turnover ratio	1.31	1.16
Interest coverage ratio	5.55	5.80
Current ratio (x)	1.19	1.08
Debt service coverage ratio	2.06	1.76
Net profit margin (%)	8.28	10.62

Change in Trade Receivable Turnover Ratio is 43.28% as compared to the preceding year due to decrease in average trade receivable.

Risk management

Geographical risk: The company's operational efficiency may be negatively impacted by the distance between its mills and cane fields.

Mitigation: To minimize this risk, the company has strategically located its mills within a 30-kilometer radius of major cane-growing regions. All mills are interconnected by road, ensuring convenient accessibility and efficient logistics.

Procurement risk: The company faces potential challenges in procuring high-quality sugarcane, which could impact its operations and profitability.

Mitigation: To address this risk, the company has fostered long-term partnerships with approximately 88,500 cane farmers. By implementing various initiatives that promote farmers' well-being and productivity, the company aims to ensure a stable and sustainable sugarcane supply chain.

Quality risk: The company is exposed to the risk of procuring low-quality sugarcane, which could compromise its production processes and product quality.

Mitigation: To mitigate this risk, the company has taken proactive measures, which includes introducing early-maturing cane varieties to enhance crop quality and resilience, providing subsidized insecticides to farmers to minimize pest-related damage and educating farmers on modern farming techniques to promote best practices and optimize crop yields.

Financial risk: The company is susceptible to financial risk associated with increasing debt levels, which could potentially impact its liquidity, profitability, and overall financial health.

Mitigation: To manage this risk, the company has maintained a strong track record of timely debt repayment, ensuring consistent fulfilment of its debt obligations. This prudent approach has significantly enhanced the company's financial stability and creditworthiness.

Human capital risk: The company faces the risk of being unable to attract and retain top talent, which could negatively impact its ability to drive growth, innovation, and success.

Mitigation: To address this risk, the company has established a robust and well-defined human resource policy. This policy enables the company to effectively attract, retain, and develop skilled professionals, ensuring a talented and dedicated workforce that drives business excellence.

Internal control systems and their adequacy

Key features of our internal control system include

Regular monitoring and updates: Our internal audit framework undergoes continuous evaluation to adapt to new challenges and opportunities. This dynamic approach ensures that our controls stay relevant and robust against evolving risks.

Audit committee oversight: The Audit Committee plays a critical role in overseeing the effectiveness of internal controls. It regularly reviews internal audit reports and works closely with management to implement necessary improvements. The committee also ensures that corrective actions are taken promptly to address any identified issues.

Collaboration with auditors: We maintain open and transparent communication with both our statutory and internal auditors. This collaboration helps in enhancing the effectiveness of our internal controls and audit processes.

Risk management integration: Our internal controls are integrated with our risk management framework, which allows for a proactive approach to risk identification, assessment, and response.

Training and development: We invest in continuous training and development of our internal audit team to keep them updated on the latest audit techniques and compliance requirements. This investment in our people supports the overall effectiveness of our internal controls.

By adhering to these principles, we ensure that our internal control systems are not only adequate but also aligned with best practices and industry standards, thereby supporting our business objectives and enhancing shareholder value.

Human resources and industrial relations

The Company recognizes the vital contribution of its employees to its success and is dedicated to equipping them with the necessary skills to thrive in a rapidly evolving technological landscape. To achieve this, the company implemented a comprehensive range of training programs during the past year, focusing on technical, behavioural, business, leadership, customer service, safety, and ethical skills. As of March 31, 2025, the company's workforce numbered 1331.

Corporate social responsibility

We are deeply committed to environmental stewardship and social responsibility at every stage of our operations. Our goal

is to make a positive impact on the communities we serve, encompassing our workforce, the broader public, and the environment. To this end, we regularly organize medical camps, providing complimentary medications and emergency medical equipment to those in need. We are dedicated to empowering the future generations of our nation by offering educational opportunities to underprivileged children. We actively engage in environmental conservation efforts, striving to minimize our ecological footprint and promote sustainability.

Cautionary statement

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

Report on Corporate Governance

1. Company's Philosophy

Magadh Sugar & Energy Limited (MSEL) is of the firm conviction that Corporate Governance in essence refers to the rules, procedures, values, systems or laws by which businesses are operated, regulated, and controlled. A well-defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well to formal laws. Governance practices may vary but the principles are generic and universal. Accordingly the Board of MSEL manages its business ethically and in a transparent manner with the profit objective balanced by long term value equitably for all stakeholders which term includes every one ranging from the board of directors, management, shareholders, cane growers, customers, employees and society at large.

Given the fact that the business operations of MSEL is well diversified, sound governance practices are indispensable for it to build and sustain trust in all its stakeholders. MSEL is committed to run its business in a legal, ethical and transparent manner with dedication that originates from the very top and permeates throughout the organization. Besides adhering to the prescribed corporate practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") from time to time, it voluntarily governs itself as per highest ethical and responsible standards of business.

This chapter, along with the chapters on Management Discussion and Analysis and Shareholders information, reports MSEL's compliance with Listing Regulations, 2015 highlighting the additional initiatives taken in line with international best practices.

Corporate Governance Philosophy

MSEL's philosophy is to constantly achieve business excellence and optimize long term value through ethical business conditions. Being a value driven organization MSEL envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact on. Strong Governance practices by the Company have boosted the level of stakeholder's confidence testified by improved performance and various recognitions achieved by the Company. This has helped MSEL to pay uninterrupted value based services to all its stakeholders.

The corporate governance structure in the Company ensures that its Board of Directors is well informed and well equipped to fulfill its overall responsibility by way of providing strategic direction to the senior management, employees, etc. which

is the backbone of the ability to meet the aspirations of all stakeholders.

MSEL's initiatives towards adhering to highest standards of governance include: professionalization of the Board; fair and transparent processes and reporting systems; and going beyond the mandated Corporate Governance Code requirements of Securities and Exchange Board of India (SEBI). At the highest level the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopt innovative approaches for leveraging resources, converting opportunities into achievements through proper coordination, empowerment and motivation, fostering a healthy all round growth and development to take the Company forward.

2. Board of Directors

- i. The Company has in all 8 (eight) Directors with considerable professional experience in divergent areas connected with corporate functioning. Out of these 8 (eight) Directors, 5 (five) (62.50%) are Independent Directors (IDs), 2 (two) Non-Executive Directors and 1 (one) Whole-time Director. The composition of the Board is in conformity with Listing Regulations. The Board is headed by Promoter Non-Executive Chairperson Mr. Chandra Shekhar Nopany. The composition of Board of Directors is balanced in terms of specialization in one or more areas.
- ii. The Board of Directors takes into account the interest of all stakeholders while discharging its responsibilities and provides leadership and guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosures.
- iii. The non-executive directors bring objective and independent perspective in the deliberations and decisions of the Board of Directors as they have a wider view of external factors affecting the Company and its business. These directors make a constructive contribution to the Company by ensuring fairness and transparency while considering the business plans devised by the management team. They receive sitting fees for attending the meetings and do not have any other material or pecuniary relationship or transaction with the Company, its promoters, promoter group, its directors, management, subsidiaries or associates.
- iv. All the Independent Directors have requisite knowledge of business, in addition to the expertise in their area of specialization. The Company has received declaration from each of the Independent Directors of the

Company confirming that he/ she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed thereunder and Listing Regulations. It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

- v. As per the disclosure received by the Company from the Directors none of them are Director on the Board of more than 7 listed entities as well as the Wholetime Director has no other directorship in compliance with Regulation 17A of Listing Regulations, and none of Directors are member in more than ten committees, nor as Chairperson of more than five committees across all companies in which they are Directors, in compliance with Regulation 26 of Listing Regulations as well as not have been debarred or disqualified from being appointed or continuing as director by SEBI/Ministry of Corporate Affairs(MCA) or any other statutory authority. The Directors intimate the Company about the committee positions they occupy in other companies and also notify changes from time to time. The Company has obtained a certificate from a company secretary in practice confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is attached as "Annexure E" to the Board's Report.
- vi. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.
- vii. The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the maximum time gap between any two meetings is not more than 120 (One Hundred Twenty) days.
- viii. The Whole time Director is responsible for corporate strategy, planning, external contacts and Board matters. The senior management personnel heading respective divisions are responsible for all day-to-day operations-related issues, profitability, productivity, recruitment and employee retention for their divisions.

- ix. The shareholders of the Company at the Annual General Meeting ("AGM") held on 1st August, 2024 appointed Mr. Rajan Arvind Dalal (DIN: 00546264) as a Director of the Company with effect from 14th May, 2024, liable to retire by rotation.

Mr Chandra Mohan (DIN-07760264), ceased to be the Whole-time Director and Key Managerial Personnel of the Company with effect from 14th May, 2025.

Mr Pankaj Singh (DIN-11090613) was appointed as Whole-time Director and Key Managerial Personnel of the Company for a period of 3 (three) years with effect from 14th May, 2025, subject to the approval of the shareholders at the ensuing AGM of the Company.

Mr. Chandra Shekhar Nopany (DIN: 00014587), Director is retiring by rotation at the forthcoming AGM scheduled to be held on August 2, 2025 and is eligible and has offered himself for re-appointment.

Necessary resolution seeking the approval of the shareholders for the proposed appointment/re-appointment of Directors along with forms part of the Notice of the ensuing AGM along with their brief profile and terms of appointment/ re-appointment, have been incorporated in the Notice of the ensuing AGM.

- x. The IDs met on 17th March, 2025 without the presence of the Chairperson, Wholetime Director, the Non-Executive Non-IDs and the Management Team. The meeting was attended by IDs in person and which enabled them to discuss various matters pertaining to the Company's affairs and thereafter put forth their combined views to the Board. The IDs reviewed the performance of non-IDs, chairperson and the Board as a whole as well as the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Key Board qualifications, expertise and attributes

The MSEL Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the MSEL Board is in compliance with the highest standards of corporate governance.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Business	Understanding of Sugar business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Ability to think strategically, identify and critically assess strategic opportunities and threats and develop effective strategies in the context of strategic objectives of the Company's policies and priorities.
Governance	Experience in developing governance practices, serving the best interest of all stakeholders, protecting shareholder interests, maintaining board and management accountability and driving corporate ethics and values.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

Key Board Qualifications

Director	Business	Strategy and Planning	Governance
Mr. Chandra Shekhar Nopany (DIN – 00014587)	√	√	√
Mr. Ishwari Prosad Singh Roy (DIN – 00217532)	√	√	√
Mr. Padam Kumar Khaitan (DIN – 00019700)	√	√	√
Mr. Yashwant Kumar Daga (DIN – 00040632)	√	√	√
Ms. Shashi Sharma (DIN – 02904948)	√	√	√
Mr. Raj Kumar Bagri (DIN- 00231766)	√	√	√
Mr. Rajan Arvind Dalal (DIN – 00546264)	√	√	√
Mr. Chandra Mohan (DIN – 07760264)	√	√	√

Senior Management

As on 31st March 2025, Senior Management of the Company includes the following:

1. Mr. Pankaj Singh, Chief Operating Officer
2. Mr. Vikas Chandra Tyagi, Executive President – Sidhwalia unit
3. Mr. Ravindra Kumar Tewari , Executive President – Hasanpur
4. Mr. S Subramanian, Company Secretary
5. Mr. Brij Mohan Agarwal, Vice President (Marketing)
6. Mr. Mainak Ranjan Chaki, Vice President (Human Resources)
7. Mr. Manoj Prasad, Chief Financial Officer (w.e.f. 14th August, 2024)

Mr Sudershan Bajaj ceased to be the Chief Financial Officer and Key Managerial Personnel from close of business hours on 31st July, 2024. The Board of Directors, upon recommendation of Nomination and Remuneration Committee, appointed Mr Manoj Prasad as Chief Financial Officer and Key Managerial Personnel w.e.f 14th August, 2024.

Familiarisation Programme

In terms of Regulation 25(7) of SEBI (LODR) Regulations, 2015, the Company is required to conduct Familiarisation Programme for IDs to familiarise them about the Company including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. As a part of the familiarisation programme, presentation was made to the IDs giving a brief overview of roles, responsibilities and liabilities of IDs under Corporate Governance norms with focus on constitution of various Committees under the Companies Act, 2013.

In addition to the above, the Directors are continuously encouraged to participate in various training sessions to ensure that the Board members are kept up to date.

At the time of appointment, a new Director is welcomed to the Board of Directors of the Company by sharing an Induction Kit containing inter-alia the Organization Chart, brief profile of all Directors and Key Managerial Personnel (KMPs), Policy Compendium, Investor Presentation, amongst others.

Further, the management of the Company makes various presentations to the IDs on an ongoing basis which inter-alia includes Company overview, various business verticals, latest key business highlights, financial statements, evolution as well as business model of the various business of the Company, as part of the familiarisation programme for IDs.

Significant Statutory updates are circulated as a part of the agenda of the Board Meetings through which Directors are made aware of the significant new developments and highlights from various regulatory authorities viz. Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), other statutory authority etc.

The Board has open channels of communication with executive management which allows free flow of communication among Directors in terms of raising query, seeking clarifications and other related information. Directors are also informed of the various developments in the Company.

The details of the familiarisation programme (other than through meeting of Board and its Committees) imparted to Independent Director are uploaded on the website of the Company and available at the web <https://magadhsugar.com/wp-content/uploads/2025/03/MSEL-Famprog-1.pdf>

Performance Evaluation

In pursuance of the provisions of the Companies Act, 2013 and Listing Regulations, the Company has laid down a Performance Evaluation Policy. The said policy prescribed in detail the process for effective evaluation of performance of the Board of Directors, the Committees thereof, individual Directors and the Chairperson of the Company. The

Nomination and Remuneration Committee ("NRC") had finalized the proformas / questionnaires containing different parameters to evaluate the performance of Board of Directors and its committee(s), individual Directors and the Chairperson of the Company. The performance evaluation parameters for Independent Directors include level of participation in decision making process, understanding of Company's business and industry, ensuring adequacy and functionality of vigil mechanism, communicating inter-se with Board members and senior management, etc.

As per the Performance Evaluation Policy of the Company, the evaluation of performance of the Board as a whole, Committees of the Board of Directors, individual Directors and Chairperson/Co-chairperson of the Company was carried out for the Financial Year 2024-2025. The Independent Directors in their separate meeting carried out the evaluation of the Board of Directors as a whole, Chairperson/Co-chairperson of the Company and Non-Independent Directors. The Independent Directors have briefed the Board of Directors about performance evaluation by Independent Directors of the Company.

Based on the responses to the questionnaires received from the Directors and considering the evaluations carried out by Independent Directors, the Board of Directors evaluated its own performance and that of its committees and individual Directors including Independent Directors.

Board Diversity Policy

Board diversity is imperative in view of globalization of business, rapid deployment of technology, greater social responsibility, ever increasing emphasis on corporate governance and increasing need for risk management. Having members of the Board of Directors from different fields enables the Company to keep pace with changing business dynamics and provide financial, reputational and qualitative benefits. The Board of Directors had adopted "Board Diversity Policy" which sets out the basic guidelines to constitute a diverse Board that can, inter alia, draw upon a range of perspectives, experience and knowledge.

Board meetings

The meetings of the Board of Directors are scheduled in advance. The Company Secretary prepares the agenda for the meetings in consultation with the Chairperson and other concerned persons in the senior management. The detailed agenda and other relevant notes are circulated to the Directors well in advance. All material back up information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same are placed on the table at the meeting with specific reference to this effect in the Agenda.

During the period under review 5 (five) Board Meetings were held on 14th May, 2024, 13th August, 2024, 11th November, 2024, 11th February, 2025 and 26th February, 2025 respectively.

The names and categories of the Directors on the Board, their attendance at Board meetings and at the last Annual General Meeting (AGM) held during the financial year and the number of directorships and committee Chairmanships/ Memberships held by them in other public limited companies are given below:

Name of Director	Category of Director	No. of Board Meetings held and attended during 2024-25		Whether attended last AGM held on Thursday, 1 st August, 2024	No. of Directorships in other Indian Public Limited Companies (As on 31 st March 2025)#	No. of Committee positions held in other Indian Public Companies (As on 31 st March 2025)##		Number of Equity shares held (As on 31 st March, 2025)
		Held	Attended			Chairman	Member	
Mr. Chandra Shekhar Nopany (DIN – 00014587)	P/C/NED	5	5	Yes	5	1	-	37,724
Mr. Ishwari Prosad Singh Roy (DIN – 00217532)	NEID	5	5	Yes	-	-	-	-
Mr. Padam Kumar Khaitan (DIN – 0019700)	NEID	5	4	Yes	2	1	2	-
Mr. Yashwant Kumar Daga (DIN – 0040632)	NEID	5	5	No	2	-	4	-
Ms. Shashi Sharma (DIN – 02904948)	NEID	5	5	Yes	1	-	1	-
Mr. Raj Kumar Bagri (DIN- 00231766)	NEID	5	5	Yes	2	1	1	-
Mr. Rajan Arvind Dalal (DIN – 00546264)	NED	5	3	Yes	1	-	1	-
Mr. Chandra Mohan (DIN – 07760264)	WTD	5	5	Yes	-	-	-	-

P – Promoter; C – Chairperson; ID – Independent Director; NED - Non-executive Director; WTD – Whole-time Director

Notes:

The number of directorships held by the Directors does not include Private Limited Companies, Foreign Companies and Companies incorporated under Sec 8 of the Companies Act, 2013.

In accordance with Regulation 26 of the Listing Regulations, memberships /chairmanships of only Audit Committee and Stakeholders Relationship Committee of other Indian Public Limited Companies have been considered.

The other Indian listed entities where Directors of the Company hold directorship as on 31st March 2025 are as follows:

Name of the Director	Other Indian Listed Entity Directorships	Category of Directorship
Mr. Chandra Shekhar Nopany	Avadh Sugar & Energy Limited	Non-Executive Co-Chairperson
	Chambal Fertilisers and Chemicals Limited	Non-Executive Director
	New India Retailing & Investment Limited	Non-Executive Chairperson
	Sutlej Textiles and Industries Limited	Executive Chairperson
	SIL Investments Limited	Non-Executive Chairperson
Mr. Yashwant Kumar Daga	Deepak Spinners Limited	Executive Director
	Deepak Industries Limited	Executive Director
Mr. Rajan Arvind Dalal	Hindustan Composites Limited	Independent Non-Executive Director
Ms. Shashi Sharma	Lux Industries Limited	Independent Non-Executive Director

Mr. Padam Kumar Khaitan, Mr. Ishwari Prosad Singh Roy, Mr. Raj Kumar Bagri and Mr. Chandra Mohan are not holding any directorship in any other listed entity.

Committees of the Board

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and non-mandatory committees viz. Risk Management Committee, Finance & Corporate Affairs Committee of Directors. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

3. Audit Committee**i. Overall purpose/Objective**

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of Listing Regulations as amended from time to time, by the Board of Directors, initially at its meeting held on 14th March, 2017.

The purpose of the Audit Committee is to assist the Board of Directors ("the Board") in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of independent accountants/internal auditors and overseeing the Company's accounting and financial reporting processes and the audit of the Company's financial statements.

ii. Terms of Reference

The Terms of Reference of this Committee includes oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible, recommending appointment, remuneration and terms of appointment of auditors, reviewing/ examining quarterly and annual financial statements and auditor's report thereon before submission to the Board for approval, evaluate Company's internal financial controls and risk management systems, reviewing performance of statutory and internal auditors, discussing with auditors significant findings, if any, related party transactions and adequacy of internal control systems, reviewing the functioning of the Whistle Blower Mechanism and other matters specified for Audit Committee in Section 177 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and Listing Regulations, as amended from time to time. It also deals with matters relating to Company's Code of Conduct for Prohibition of Insider Trading framed in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended and related matters. It also discharges such other functions as may be delegated by the Board of Directors from time to time

Mr. Raj Kumar Bagri, Chairperson of the Audit Committee attended the Annual General Meeting of the Company to provide clarifications and answer queries.

The Company's system of internal controls covering financial and operational activities, compliances, IT applications, etc. are reviewed by the Internal Auditors and presentations

are made to the Audit Committee on the findings of such reviews. Further, in compliance with Section 177(4)(vii) of the Companies Act, 2013 the Audit Committee maintains and evaluates the effectiveness of internal control systems of the Company pertaining to financial reporting, compliance with Accounting Standards, and looks after overall financial activities under applicable laws and regulations governing the Company.

The Audit Committee comprises of Mr. Raj Kumar Bagri, Mr. Yashwant Kumar Daga, Mr. Iswhari Prosad Singh Roy and Mrs Shashi Sharma, Independent Directors. Mr. Raj Kumar Bagri, Independent Director of the Company is the Chairperson of the Audit Committee. All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise. The Whole-time Director (WTD) is a permanent invitee to the meetings of the Audit Committee and the Company Secretary acts as the Secretary to the Audit Committee. The Statutory Auditors as well as Internal Auditors of the Company are invited to attend the Audit Committee meetings. The Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the Committee.

During the Financial Year 2024-2025 the Audit Committee met 4 (four) times i.e. on 13th May, 2024, 13th August, 2024, 11th November, 2024 and 11th February, 2025 respectively. The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days. Moreover, the requisite quorum as required by Listing Regulations was present in all the meetings of the Audit Committee held during the year.

Attendance of the members at the meetings was as follows:

Name of the Member	Status	Category	No of meetings attended
Mr. Raj Kumar Bagri	Chairperson	Independent Director	4
Ms. Shashi Sharma	Member	Independent Director	4
Mr. Yashwant Kumar Daga	Member	Independent Director	4
Mr. Ishwari Prosad Singh Roy	Member	Independent Director	4

4. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company was constituted on 14th March, 2017, in line with the provisions of Regulation 20 of Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013.

(i) Terms of Reference:

The Stakeholders Relationship Committee oversees the redressal of complaints/grievances of investors such as

transfer/transmission of shares, credit of shares to demat accounts, non-receipt of dividend/annual reports, approval of physical shares above 1000 shares, taking note of shares transferred in course of a quarter, status of dematerialized shares as on the end of each quarter, stock of blank stationery of share certificates as on the end of each quarter, shareholding pattern of the Company as on the end of each quarter and detail of investors' grievances pending as on the end of each quarter among others. It also approves issuance of duplicate shares and matters incidental thereto. It also discharges such other functions as may be delegated by the Board of Directors from time to time. The Stakeholders Relationship Committee meets at regular intervals to take note of share transfer and other matters.

(ii) Composition & Meetings:

During the year under review the Stakeholders' Relationship Committee was reconstituted on 14th May, 2024 by inducting Mr Rajan Arvind Dalal in place of Mr Raj Kumar Bagri. Mr Dalal was designated as Chairperson in place of Mr Raj Kumar Bagri.

The composition of the Stakeholders' Relationship Committee as on 31st March, 2025 is as follows:

- Mr Rajan Arvind Dalal - Chairperson
- Mr Yashwant Kumar Daga
- Mr Padam Kumar Khaitan

During the Financial Year 2024-2025 the Stakeholders' Relationship Committee met 4 (four) times i.e. on 8th May, 2024, 13th August, 2024, 29th October, 2024 and 3rd February, 2025. The Chairperson of the Stakeholders' Relationship Committee is Mr. Rajan Arvind Dalal, a Non-Executive Director and the Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee.

Attendance of the members at the meetings was as follows:

Name of the Member	Status	Category	No of meetings attended
Mr. Raj Kumar Bagri #	Chairperson	Independent Director	1
Mr. Yashwant Kumar Daga	Member	Independent Director	4
Mr. Padam Kumar Khaitan	Member	Independent Director	4
Mr. Rajan Arvind Dalal*	Chairperson	Non-Executive Director	3

Ceased to be Member w.e.f. 15th May, 2024.

*Appointed w.e.f. 15th May, 2024

The Board of Directors have authorised the Secretary to approve transfers/ transmissions of shares in physical form up to 1000 shares. The transfers/ transmissions approved by the Secretary are periodically placed before the Committee.

The Company has in place a comprehensive Investor Grievance Redressal system prescribing the standards of shareholders' service & grievance redressal procedure and mechanism to be adhered to by the Registrar and Share Transfer Agents as well as by the Company. The shareholders can write to the Company at magadhinvestors@birla-sugar.com on a day to day basis.

During the financial year ended 31st March, 2025, no complaint was received. Hence there was no complaint pending as on 31st March, 2025.

Further, pursuant to Regulation 13(3) read with Regulation 13(4) of the Listing Regulations, 2015, Statements of investor complaints as received from the Registrar & Share Transfer Agents, MUFG Intime Private Limited (Formerly Link Intime Private Limited), were filed with the Stock Exchanges on a quarterly basis and the said Statements were also placed before the Board of Directors for information and noting.

5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company was constituted on 14th March, 2017 in line with the provisions of Regulation 19 of Listing Regulations read with Section 178 of the Companies Act, 2013.

i. Objectives:

The Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable statutes, rules and regulations which the Committee deems relevant, makes recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company, identifies the persons who are qualified to become Directors and who may be appointed in senior management including their remuneration in accordance with the criteria laid down, recommends to the Board their appointment and removal and other matters specified for Nomination and Remuneration Committee in Section 178 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and under Listing Regulations.

ii. Terms of Reference:

The broad terms of reference of the Nomination & Remuneration Committee, inter-alia includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;

3. Devising a policy on Board diversity;
4. Identifying 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, remuneration and removal.

It also discharges such other functions as may be delegated by the Board of Directors from time to time.

iii. Composition and Meetings:

The Nomination and Remuneration comprises of the following Directors:

- a. Mr Yashwant Kumar Daga - Chairperson
- b. Mr Padam Kumar Khaitan
- c. Mr Ishwari Prosad Singh Roy
- d. Mr Raj Kumar Bagri

During the Financial Year 2024-2025, the Nomination and Remuneration Committee met 4 (four) times i.e. on 8th May, 2024, 13th August, 2024, 11th November, 2024 and 3rd February, 2025 respectively. The Chairperson of Nomination and Remuneration Committee is Mr. Yashwant Kumar Daga, an Independent Director and the Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

Attendance of the members at the meetings was as follows:

Name of the Member	Status	Category	No of meetings attended
Mr Yashwant Kumar Daga	Chairperson	Independent Director	4
Mr Padam Kumar Khaitan	Member	Independent Director	3
Mr Ishwari Prosad Singh Roy	Member	Independent Director	4
Mr Raj Kumar Bagri	Member	Independent Director	4

iv. Remuneration Policy:

The Board of Directors of the Company had at its meeting held on 30th March, 2017 adopted the Remuneration Policy as recommended by the Nomination and Remuneration Committee of the Company. The Remuneration Policy is available on the Company website at web link <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-Nomination-and-Remuneration-Policy.pdf>

The Remuneration Policy, inter-alia, includes the appointment criteria & qualification requirements, process for appointment & removal, retirement policy and remuneration

structure & components, etc. of the Directors, Key Managerial Personnel (KMP) and other senior management personnel of the Company. As per the Remuneration Policy, a person proposed to be appointed as Director, KMP or other senior management personnel should be a person of integrity with high level of ethical standards. In case of appointment as an independent director, the person should fulfil the criteria of independence prescribed under the Companies Act, 2013, rules framed thereunder and the Listing Regulations. The Remuneration Policy also contains provisions about the payment of fixed & variable components of remuneration to the Whole-time Director and payment of sitting fee & commission to the non-executive directors.

Remuneration of Directors

Detail of remuneration paid to the Directors for the financial year 2024-25:

a. Wholetime Director (₹ in Lakhs)				
Name	Salary	Perquisites	Retirement Benefits	Total
Mr. Chandra Mohan	134.73		15.74	150.47

* It does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole

Mr. Chandra Mohan's remuneration package includes salary, free furnished accommodation with all expenses for upkeep and maintenance thereof, contribution to Provident Fund, reimbursement of medical expenses, leave travel concession, car with driver and telephone etc.

b. Non-Executive Directors

The Company pays a sitting fee of ₹40,000/- and ₹20,000/- per meeting to each Director for attending meetings of the Board of Directors and Committees thereof respectively.

The shareholders of the Company had approved through Postal Ballot on 20th March, 2025, revision in payment of commission to Non-Executive directors with effect from the financial year 2024-2025, subject to the aggregate annual limit of 1 (one) percent of the net profits of the Company determined in accordance with the terms and provisions of Section 198 of the Companies Act, 2013. Further, in case of inadequacy of profits in any financial year the Non-Executive Directors will be paid a sum of ₹10 Lakhs as Commission.

Sl. No	Name of the Director	Sitting Fee Paid (₹)	Commission payable for the Financial Year 2024-25 (₹)
1	Mr Chandra Shekhar Nopany	2,20,000	15,00,000
2	Mrs Shashi Sharma	3,40,000	15,00,000
3	Mr Yashwant Kumar Daga	4,40,000	15,00,000
4	Mr Padam Kumar Khaitan	3,20,000	15,00,000
5	Mr Ishwari Prosad Singh Roy	3,60,000	15,00,000
6	Mr Raj Kumar Bagri	3,80,000	15,00,000
7	Mr Rajan Arvind Dalal	2,20,000	13,23,288

There was no other pecuniary relationship or transaction with the Non-executive Directors.

6. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company was constituted on 14th March, 2017 in line with the provisions of Listing Regulations read with Section 135 of the Companies Act, 2013. The role of Committee includes formulating and recommending to the Board of Directors a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified under the Companies Act, 2013 recommending the amount of expenditure to be incurred on such activities, instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company etc. The Committee also reviews periodically the progress of CSR projects/ programs/ activities undertaken by the Company. It also discharges such other functions as may be delegated by the Board of Directors from time to time.

During the year under review the Corporate Social Responsibility Committee was reconstituted w.e.f. 15th May, 2024.

The composition of the Corporate Social Responsibility Committee as on 31st March, 2025 is as follows:

- Mr. Padam Kumar Khaitan - Chairperson
- Ms. Shashi Sharma
- Mr. Rajan Arvind Dalal

The Chairperson of Corporate Social Responsibility Committee is Mr. Padam Kumar Khaitan, an Independent Director and the Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee. The Committee is responsible for monitoring the Corporate Social Responsibility Policy (CSR Policy) of the Company from time to time the Company's CSR Policy is available on

the Company's website at <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-CSR-Policy.pdf>

During the Financial Year 2024-2025, the Corporate Social Responsibility Committee met 3 (three) times i.e. on 14th May, 2024, 13th August, 2024, and 11th February, 2025 respectively.

Attendance of the members at the meetings was as follows:

Name of the Member	Status	Category	No of meetings attended
Mr Chandra Shekhar Nopany#	Chairperson	Non-Executive Director	1
Mr Padam Kumar Khaitan\$	Chairperson	Independent Director	2
Mrs Shashi Sharma	Member	Independent Director	2
Mr Rajan Arvind Dalal @	Member	Non-Executive Director	2
Mr Chandra Mohan#	Member	Whole-time Director	1

Ceased to be a Member w.e.f. 14.05.2024

\$ Appointed as Chairperson w.e.f. 15.05.2024

@ Appointed as a Member w.e.f. 15.05.2024

7. Risk Management Committee

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

During the financial year 2024-2025, the Committee was reconstituted w.e.f. 15th May, 2024.

The composition of the Risk Management Committee as on 31st March, 2025 is as follows:

- Ms. Shashi Sharma - Chairperson
- Mr. Rajan Arvind Dalal
- Mr. Chandra Mohan

The Chairperson of Risk Management Committee is Ms. Shashi Sharma, an Independent Director and the Company Secretary acts as the Secretary to the Risk Management Committee.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the risk & its mitigation plans within framework and in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;

- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

Within its overall scope as aforesaid, the Committee reviews risks trends, exposure, and potential impact analysis and mitigation plan. It also discharges such other functions as may be delegated by the Board of Directors from time to time

During the Financial Year 2024-2025, the Risk Management Committee met once 6th March, 2025.

The attendance of each member of the Committee is given below:

Name of the Member	Status	Category	No of meetings attended
Ms. Shashi Sharma	Chairperson	Independent Director	1
Mr. Chandra Mohan	Member	Whole time Director	1
Mr. Chand Bihari Patodia#	Member	Group President	1
Mr. Sudershan Bajaj#	Member	Chief Financial Officer	1
Mr. Rajan Arvind Dalal	Member	Non-Executive Director	1

Ceased to be a Member w.e.f. 15.05.2024

\$ Appointed as a Member w.e.f. 15.05.2024

8. Finance & Corporate Affairs Committee

The Finance & Corporate Affairs Committee of Board of Directors was constituted on March 14, 2017 The composition of the Finance & Corporate Affairs Committee as on 31st March, 2025 is as follows:

- Mr. Chandra Shekhar Nopany – Chairperson
- Mr. Yashwant Kumar Daga
- Mr. Ishwari Prosad Singh Roy
- Mr Chandra Mohan

The Chairperson of Finance & Corporate Affairs Committee is Mr. Chandra Shekhar Nopany, a Non-Executive Promoter Director and the Company Secretary acts as the Secretary to the Finance & Corporate Affairs Committee.

The Terms of Reference of this Committee includes oversight of banking and borrowing related matters, to authorise the Company officials for signing various agreements, deeds and documents etc., to consider, approve and submit various bid documents etc. for participation in ethanol tenders, amongst others and to do such other businesses as may be delegated by the Board of Directors from time to time.

During the period under review no meetings were held.

9. Subsidiary Companies

The Company does not have any subsidiary, any associate or any joint venture. However, the Board of Directors have formulated a Policy for determining material subsidiaries in its meeting held on 30th March, 2017 and subsequently modified on 14th May, 2024 in line with changes envisaged in Listing Regulations and such modified Policy has been disclosed on the company website at <https://magadhsugar.com/wp-content/uploads/2024/07/Magadh-Sugar-Policy-for-Determining-Material-Subsidiaries.pdf>

10. Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Again, there were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standards (IND AS) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions in its meeting held on 30th March, 2017 which was modified on 14th May, 2024, with amended provisions of Companies Act, 2013 read with Listing Regulations and has been uploaded on the Company's website <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-Related-Party-Transaction-Policy.pdf>

11. Vigil Mechanism / Whistle Blower Policy

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility and accordingly has formulated Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is meted out to any person for a genuinely raised concern. The said policy was updated by the Board in its meeting held on 11th February, 2025, and has been uploaded on the Company's website at <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-Whistle-Blower-Policy.pdf>

12. Policy Against Sexual and Workplace Harassment

The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. The Company in its endeavor to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his / her maximum potential. As per the Policy, any employee may report his / her complaint to the Internal Complaint Committee formed for this purpose. The Company affirms that during the Financial Year 2024-2025, adequate access was provided to any complainant who wished to register a complaint under the Policy. During the Financial year 2024-2025, the Company has not received any complaint on sexual harassment from any of the women employees of the Company, neither there were any pending complaints nor there were any complaints pending as on the end of the Financial Year 2024-2025.

13. General Body Meetings

13.1 The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Location
2023-24	01-08-2024	11.00 A.M.	Through Video Conferencing ("VC")
2022-23	27-07-2023	11.00 A.M.	/ Other Audio Visual Means ("OAVM" and deemed venue: Registered Office of the Company P.O. Hargaon, Dist. Sitapur Uttar Pradesh - 261 121
2021-22	21-07-2022	11.00 A.M.	

The last Annual General Meeting was held on 1st August, 2024, which was chaired by Mr Chandra Shekhar Nopany.

No Special Resolution was passed in the previous three Annual General Meetings.

13.2 Postal Ballot

During the Financial Year 2024-2025, the Company had sought Shareholders' approval by way of Special Resolution through postal ballot as per details given below:

Resolution	Date of Postal Notice	Date of Announcement of Result	Total no of valid votes	No. of votes with Assent for the Resolution	No. of votes with Dissent for the Resolution
Payment of Commission to Non-Executive Directors	11-02-2025	20-03-2025	93,46,987	93,25,834	21,153

The Board of Directors of the Company at its meeting held on 11th February, 2025 had appointed Mr Mohan Ram Goenka (Membership No.: FCS 4515, CP No.: 2551) as the Scrutinizer for conducting Postal Ballot (by remote e-voting) process in a fair and transparent manner.

There is no immediate proposal for passing a resolution through postal ballot. In case a resolution is proposed to be passed through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

14. Means of Communication

- 14.1** The unaudited quarterly / half yearly results are announced within 45 (forty-five) days of the close of the quarter. The audited annual results are announced within 60 (sixty) from the close of the financial year as per the requirements of Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board and also published in 'Business Standard', in English and 'Business Standard' in Hindi in Lucknow edition.
- 14.2** The quarterly results, shareholding pattern, corporate governance reports, intimation of Board meetings, etc. are filed with the stock exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre.
- 14.3** The Annual Report of the Company, the quarterly/half yearly and annual financial results are simultaneously posted on the Company's website www.magadhsugar.com and can be downloaded.
- 14.4** The Company also displays official press releases as and when released on the above website.
- 14.5** Email id earmarked for redressing Investor queries is magadhinvestors@birla-sugar.com.
- 14.6** Presentation made to any Institutional Investor or to any Analysts during the period under review is made available on the above website.

15. General Shareholders' Information

15.1 11th Annual General Meeting

Day & Date	Saturday, August 2, 2025
Time	11.00 A.M. (IST)
Venue	11 th Annual General Meeting will be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and deemed venue shall be Registered Office of the Company at P.O. Hargaon, Dist. Sitapur Uttar Pradesh – 261121

15.2 Financial Year : April to March

15.3 Tentative Financial Calendar

Event	Date
Approval of Audited Annual Results (2024-25)	13 th May, 2025
First Quarter Results	On or before 14 th August, 2025
Second Quarter Results	On or before 14 th November, 2025
Third Quarter Results	On or before 14 th February, 2026
Audited Annual Results (for Financial Year 2025-2026)	On or before 30 th May, 2026

15.4 Book Closure & Record Date

The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 31st July, 2025 to Saturday, 2nd August, 2025 (both days inclusive) for the purpose of Annual General Meeting. The Record Date for ascertaining the entitlement of Dividend is Friday, 18th July, 2025.

15.5 Dividend Payment Date - Within 30 days of the Annual General Meeting.

15.6 Listing on Stock Exchanges and Stock Codes

The names of the Stock Exchanges at which the Equity Shares of the Company are listed and the respective stock codes are as under:

Name and Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised Shares)
Approval of Audited Annual Results (2024-25)	540650	INE347W01011
Audited Annual Results (2025-26)	MAGADSUGAR	

The Company has paid annual listing fees for the Financial Year 2025-26 to the above Stock Exchanges.

15.7 Registrar & Share Transfer Agent

The Company has appointed MUFG Intime India Private Limited (Formerly MUFG Intime India Private Limited) as its Registrar & Share Transfer Agent (RTA) for handling work related to share registry in terms of both physical and electronic modes. Accordingly, all correspondence, share transfer, demat/remat requests and other communication in relation thereto should be mailed/hand delivered to the said RTA directly at the following address:

MUFG Intime India Pvt. Ltd.

Unit: Magadh Sugar & Energy Limited

Rasoi Court, 5th Floor,
20 Sir R N Mukherjee Road,
Kolkata - 700 001

Tel: 91 033 6906 6200

E-mail: kolkata@in.mpms.mufg.com

Website – www.in.mpms.mufg.com

15.8 Share Transfer System

Pursuant to the directive of the Securities and Exchange Board of India (SEBI), Physical transfer of shares has been dispensed with. In reference to SEBI Circular dated 25th January, 2022, the Security holder/Claimant shall submit duly filled up Form ISR-4 for processing of service request related to transmission, transposition, consolidation/sub-division/endorsement of share certificate, issue of duplicate share certificate along with requisite documents. The Company/RTA shall issue letter of confirmation after processing the service requests which shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

15.9 Distribution of Shareholding

a. Equity Share Capital History

The Paid up Capital of the Company consists of 1,40,91,630 Equity shares of ₹10/- each fully paid up and allotted as under:

Date of Allotment	No. of share	Issue Price (₹ per share)
30.03.2017	1,00,65,450	10
02.07.2019	40,26,180	(Bonus) 4:10

b. The Distribution of Shareholding as on 31st March, 2025 was as follows:

No of Equity Shares	No. of Shareholders	% of total shareholders	No of shares held	% of total shares
1 to 500	11,577	94.35	6,20,305	4.40
501 to 1000	337	2.75	2,50,571	1.78
1001 to 2000	163	1.33	2,33,417	1.66
2001 to 3000	67	0.55	1,67,291	1.19
3001 to 4000	18	0.15	62,745	0.45

No of Equity Shares	No. of Shareholders	% of total shareholders	No of shares held	% of total shares
4001 to 5000	17	0.14	77,066	0.55
5001 to 10000	34	0.28	2,38,214	1.69
10001 and above	57	0.46	1,24,42,021	88.29
Total	12,270	100.00	1,40,91,630	100.00

c. **Detail of Shareholding pattern of the Company as on 31st March, 2025 was as follows:**

Category	No. of Shares held	% of Shareholding
Promoters	85,98,482	61.02
Mutual Funds, Financial Institutions, Banks, Insurance Companies, etc.	1,270	0.01
Bodies Corporate	11,17,253	7.93
Individuals/HUF/Trust	42,41,244	30.10
Stock Exchange Clearing Members/Market Maker	813	0.00
NRIs / OCBs / FIIs / Foreign Nationals	58,934	0.42
Unclaimed Shares	4,185	0.03
Investor Education And Protection Fund	69,449	0.49
Total	1,40,91,630	100.00

15.10 Dematerialisation of Shares and Liquidity

The Equity Shares of the Company are in compulsorily dematerialised form at all the stock exchanges viz. BSE Ltd. and The National Stock Exchange of India Ltd. under depository systems at both the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited. 1,40,42,288 Equity Shares viz. 99.65% of the Equity Share Capital of the Company have already been dematerialized.

15.11 Outstanding GDRs / ADRs/Warrants or Convertible Instrument : The Company has never issued GDRs/ ADRs/Warrants or any other Convertible Instrument.

15.12 Commodities price risk or foreign exchange risk and hedging : Not Applicable

15.13 Location of Plants:

Sugar Mills:

- Narkatiaganj, District West Champaran, Bihar, Pin-845 455.
- Sidhwalia, Dist. Gopalganj, Bihar, Pin – 841 428
- Hasanpur, Dist. Samastipur, Bihar, Pin – 848 205

Distillery:

- Narkatiaganj, District West Champaran, Bihar, Pin-845 455.
- Sidhwalia, Dist. Gopalganj, Bihar, Pin – 841 428

Co-generation Power Plants:

- Narkatiaganj, District West Champaran, Bihar, Pin- 845 455.
- Sidhwalia, Dist. Gopalganj, Bihar, Pin – 841 428
- Hasanpur, Dist. Samastipur, Bihar, Pin – 848 205

15.14 Address for Correspondence:

The Company Secretary,	MUFG Intime India Pvt. Ltd. Registrar & Share Transfer Agent
Magadh Sugar & Energy Limited 9/1, R.N. Mukherjee Road 5 th Floor, Birla Building Kolkata - 700 001, India Tel: 91 - 033 - 2243 0497/8 Fax: 91 - 033 - 2248 6369 e-mail: magadhinvestors@birla-sugar.com	Unit: Magadh Sugar & Energy Limited Rasoi Court, 5 th Floor, 20 Sir R N Mukherjee Road Kolkata - 700 001, India Tel : 91-033-6906 6200 e-mail: kolkata@in.mpms.mufg.com

15.15 Credit Ratings

The details of the Credit Rating assigned to the Company as on 31st March 2025 is as under:

Particulars	Amount in ₹ Crore	Agency	Assigned Rating
Short Term Loans	20.00	India Ratings and Research	IND A1
Term Loan	268.75		IND A STABLE
Fund-based limit	670.00		IND A STABLE/IND A1
Non-fund based limit	2.00		IND A1

15.16 Details of Unpaid Dividend

The details of amount lying in the unpaid dividend accounts of the Company are as under:

Particulars	Amount lying in Unpaid Dividend Account as on March 31, 2025 (in ₹)	Due date for transfer to Investor Education and Protection Fund ("IEPF")
2017-2018	1,15,607.00	01.11.2025
2018-2019	2,20,234.00	10.10.2026
2019-2020	5,41,193.00	28.10.2027
2020-2021	5,25,464.00	30.09.2028
2021-2022	8,03,646.00	27.08.2029
2022-2023	7,98,221.00	02.09.2030
2023-2024	17,45,471.00	07.09.2031

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividend, which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to IEPF. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred by the Company to the demat account of IEPF Authority.

During the Financial Year ended March 31, 2025, the Company transferred unpaid dividend of ₹2,41,656 for the Financial Year 2016-17 to IEPF and also transferred 69,449 equity shares to the demat account of IEPF Authority in respect of which the dividend was unpaid/ unclaimed for the last seven years.

15.17 Transfer of shares in Unclaimed Suspense Account

The Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. The details of such unclaimed shares are as under:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2024	226	55510
Number of shareholders who approached Company for transfer of shares from Unclaimed Suspense Account during the financial year 2024-25	-	-
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the financial year 2024-25	-	-
Shares transferred to IEPF during the financial year 2024-25	185	51,325
Aggregate Number of shareholders and outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2025	41	4185

16. CEO and CFO Certification

The Whole time Director and the Chief Financial Officer of the Company have certified that all the requirements of Listing Regulations, inter-alia, dealing with the review of financial statements and cash flow statements for the year ended 31st March, 2025, transactions entered into by the Company during the said year, their financial reporting and evaluation of the effectiveness of the internal control system and making necessary disclosures to the auditors and the audit committee have been duly complied with. Since the Company does not have a designated Chief Executive Officer, the aforesaid certificate is being signed by Mr. Chandra Mohan, Whole-time Director of the Company which is in line with the Frequently Asked Questions issued by Securities and Exchange Board of India.

17. Information about directors seeking appointment/ re-appointment

The details of Directors seeking appointment/re- appointment are given in the Annexure to the Notice, under the head Particulars of Directors seeking appointment/re-appointment at the Annual General Meeting.

18. Prevention of Insider Trading

The Company has in place a Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders as envisaged under the SEBI (Prohibition of Insider Trading) Regulations, 2015 for its designated persons. The Company also has in place Code for Fair Disclosure of Unpublished Price Sensitive Information. This Code is available on Company's website at <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-CODE-FOR-FAIR-DISCLOSURE-OF-UNPUBLISHED-PRICE-SENSITIVE-INFORMATION-1.pdf>. The Code ensures the prevention of dealing in Company's shares/ securities by persons having access to unpublished price sensitive information. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. All Board Directors and the designated persons have confirmed compliance with the Code.

19. Code of Conduct

The Company has also adopted a Code of Conduct (Code) for the members of Board of Directors, Key Managerial Personnel and Senior Management Personnel of the Company to follow. The Code is posted on the website of the Company at <https://magadhsugar.com/wp-content/uploads/2025/06/Magadh-Sugar-Code-of-Conduct.pdf>. The essence of the Code is to conduct the business of the Company in an honest and ethical manner, in compliance with applicable laws and in a way that excludes considerations of personal advantage. All Directors, Key Managerial Personnel and Senior Management Personnel have affirmed their compliance with the Code, and a declaration to this effect, signed by the Wholetime Director, is attached to this report and which forms an integral part of this report.

20. Legal Compliances

The Board reviews periodically compliance reports of all laws applicable to the Company, prepared by the Wholetime Director which is duly supported by the legal compliance report of the internal auditors, heads of each Unit at Narkatiaganj, Sidhwalia and Hasanpur, as well as by the Chief Financial Officer and Company Secretary. The Board also reviews periodically the steps taken by the Company to rectify instances of non-compliances, if there be any.

21. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified practising Company Secretary carries out an audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the concerned Stock Exchanges. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

22. Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards, i.e., Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

23. Disclosures

- 23.1** There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large. Transaction with Related Parties is disclosed in Note No. 41 of the Accounts in the Annual Report.
- 23.2** No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets for non-compliance by the Company during the last three years.
- 23.3** The Company is fully compliant with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable and compliance reports on Corporate Governance in the requisite formats have been submitted to the concerned stock exchanges.
- 23.4** The Company has in place the Whistle Blower Policy and no personnel have been denied access to the Audit Committee.
- 23.5** The Company has complied with all the applicable mandatory requirements.
- 23.6** In the preparation of the financial statements, the Company has followed Standards of Accounting notified under Sec 133 of the Companies Act, 2013, as amended. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.
- 23.7** Total fees for all services paid by the listed entity, to the statutory auditor and entities in the network firm/network entity of which the statutory auditor is a part was ₹38.02 lakhs.
- 23.8** During the year the Company has not raised any funds through preferential allotment or qualified institutional placement as specified in Reg 32(7A) of Listing Regulations, 2015, as amended from time to time.
- 23.9** No complaint was filed with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the Financial Year ended 31st March, 2025. Further, no complaint was pending with the Company as at the beginning and end of the Financial Year 2024-25 under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- 23.10** All the recommendations/ suggestions made by the Committees of Board of Directors which is mandatorily required during the financial year 2024-25 were accepted by the Board of Directors

24. Discretionary Requirements

- a. **Chairperson's Office:** Chairperson's Office is maintained by the Company and expenses towards performance of the Chairperson's duties are borne by the Company / reimbursed to him.
- b. **Shareholder rights:** The quarterly, half-yearly and annual results of the Company are published in a leading English daily newspaper having a nationwide circulation and a Hindi daily newspaper (having circulation in Lucknow) and regularly hosted on Company's website. The Annual Report of the Company for the financial year 2024-25 shall be emailed to the Members whose email addresses are available with the depositories or are obtained directly from the Members, as per Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014. For other Members, who have not registered their email addresses, the Annual Report shall be sent at their registered address. If any Member wishes to get a duly printed copy of the Annual Report, the Company shall send the same, free of cost, upon receipt of request from the Member.

The Company communicates with shareholders through e-mail, telephone etc.
- c. **Audit Opinion:** It is always the Company's endeavour to present unmodified audit opinion on the financial statements. There is no audit modified audit opinion on the Company's financial statements for the year ended on 31st March, 2025.
- d. **Reporting of Internal Auditor:** The Internal Auditor may report directly to the Audit Committee. The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and regularly attends the Meetings for reporting audit findings to the Audit Committee.

Annexure - C

Certificate on Code of Conduct

To
The Members
Magadh Sugar & Energy Limited
P.O. Hargaon, Dist - Sitapur
U.P – 261 121

I, Chandra Mohan, Whole-time Director of Magadh Sugar & Energy Limited, declare that to the best of my knowledge, as per Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of the Board and Senior Management personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management of the Company for the financial year ended 31st March, 2025.

Chandra Mohan
Wholetime Director
DIN – 07760264

Date : May 13, 2025

Annexure - D

Independent Auditors' Certificate

on Compliance With The Corporate Governance Requirements
Under Sebi (Listing Obligations And Disclosure Requirements) Regulations, 2015

To
The Members of
Magadh Sugar & Energy Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 10 April 2023 and addendum to the engagement letter dated 10 April 2023.
2. We have examined the compliance of conditions of Corporate Governance by **Magadh Sugar & Energy Limited** ("the Company"), for the year ended 31 March 2025, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate

Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2025.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

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

For **B S R & CO LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No: 055757

UDIN: 25055757BMNSHG3024

Place: Kolkata

Date: 13 May, 2025

Annexure - E

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Magadh Sugar & Energy Limited
P.O. - Hargaon, Dist. - Sitapur
Uttar Pradesh - 261121

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Magadh Sugar & Energy Limited having CIN : L15122UP2015PLC069632 and having registered office at P.O. - Hargaon, Dist. - Sitapur, Uttar Pradesh – 261121 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Chandra Shekhar Nopany	00014587	29.07.2016
2.	Padam Kumar Khaitan	00019700	14.03.2017
3.	Yashwant Kumar Daga	00040632	14.03.2017
4.	Ishwari Prosad Singh Roy	00217532	14.03.2017
5.	Raj Kumar Bagri	00231766	14.03.2017
6.	Shashi Sharma	02904948	14.03.2017
7.	Chandra Mohan	07760264	09.03.2017
8.	Rajan Arvind Dalal	00546264	14.05.2024

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 has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also 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.

Place : Kolkata
Date : 13.05.2025

Name : CS Atul Kumar Labh
Membership No. : FCS 4848
CP No. : 3238
PRCN : 1038/2020
UIN : S1999WB026800
UDIN : F004848G000320548

Annexure - F

Form No. MR-3 Secretarial Audit Report

for the Year ended March 31, 2025

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

To
The Members of
Magadh Sugar & Energy Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Magadh Sugar & Energy Limited [hereinafter called 'the Company'] for the year ended March 31, 2025 ["Period under Review"] in terms of Audit Engagement Letter dated 13th August, 2024. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the Period under Review, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Period under Review, according to the provisions of applicable law provided hereunder:

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

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
 - a. The Sugar Development Fund Act, 1982 and Rules;
 - b. The Sugarcane (Control) Order, 1966;
 - c. The Food Safety and Standards Act, 2006 and Rules;
 - d. Food Safety and Standards Regulations;
 - e. The Essential Commodities Act, 1955;
 - f. Legal Metrology Act, 2009;
 - g. Petroleum Act, 1934 And Rules;
 - h. Electricity Act, 2003 and Rules;
 - i. Bihar Sugarcane (Regulation of Supply and Purchase) Act, 1981 and Rules;
 - j. Bihar Sugarcane (Distribution and Movement Control) Order, 1966.

We have also examined compliance with the applicable clauses of the Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India.

Management Responsibility:

Kindly refer to our letter of even date which is annexed as Annexure 'I' which is to be read along with and forms an integral part of this report.

We report that during the Audit Period, the Company has complied with the provisions of the Act, rules, standards etc. mentioned above.

This Report has to be read with our other reports or certificates on the status of compliances by the Company with various applicable laws during the Review Period.

Recommendations as a matter of best practice:

In the course of our audit, we have made certain recommendations for good corporate practices to the compliance team, for its necessary consideration and implementation by the Company.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

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

Resolutions have been approved by majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the Period under Review, the Company has not undertaken any specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above-referred laws, rules, regulations, guidelines, and standards, etc. except the following:

1. Recommendation and payment of final dividend:

During the period under review, the Company recommended a final dividend of ₹15.00 per equity share on 1,40,91,630 Equity shares of ₹10 each, declared by the shareholders in the Annual General Meeting dated 1st August, 2024.

2. Change in Chief Financial Officer:

During the period under review, Mr. Sudershan Bajaj resigned from the office of the Chief Financial Officer of the Company with effect from 31st July, 2024. To fill the vacancy caused in the office, Mr. Manoj Prasad has been appointed as the Chief Financial Officer of the Company with effect from 14th August, 2024.

3. Appointment of Mr. Rajan Arvind Dalal as Non-Executive, Non-Independent Director:

During the Period under Review, Mr. Amit Dalal, DIN: 00546264, was appointed as Additional Non-Executive Director with effect from 14th May, 2024 and approval of shareholders taken at the Annual General Meeting through remote e-voting on 1st August, 2024.

4. Setting up of Greenfield Multi-feed Distillery with Steam Saving:

The Board of Directors of the Company in its meeting held on 11th November, 2024 had approved setting up of a 100 KLPD Greenfield Multi-feed Distillery with Steam Saving at Hasanpur Sugar Unit. The said event being a material event in terms of the provisions of regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, necessary stock exchange intimation was ensured by the Company.

For **M/s Vinod Kothari & Company**
Practicing Company Secretaries
Unique Code: P1996WB042300

Barsha Dikshit

Partner

Membership No.: A48152

CP No.: 18060

UDIN: A048152G000331105

Peer Review Certificate No.: 4123/2023

Place: Kolkata

Date: 13th May 2025

Annexure - I

Annexure to Secretarial Audit Report

To
The Members of
Magadh Sugar & Energy Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in **Annexure II**;
2. We have followed the audit practices and the 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. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. We have conducted online verification & examination of records, as facilitated by the Company;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis and sample basis.
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
9. The contents of this Report have to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/ agencies/authorities with respect to the Company.
10. 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.

Annexure - II

List of Documents

1. Minutes shared through electronic mode, of the following meetings:
 - a. Board Meeting;
 - b. Audit Committee;
 - c. Nomination and Remuneration Committee;
 - d. Stakeholders Relationship Committee;
 - e. Corporate Social Responsibility Committee;
 - f. Risk Management Committee meeting;
2. Annual Report 2023-24;
3. Notice and Agenda for Board and Committee Meetings on sample basis;
4. Disclosures under Act, 2013 on sample basis and those under Listing Regulations;
5. Forms and Returns files with the ROC;
6. Policies framed under Act, 2013 and Listing Regulations;
7. Compliance Report obtained by the Company from Internal Auditor for ascertaining the compliance with the specific laws;
8. Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015
9. Disclosures under SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

Annexure - G

Conservation of Energy

Information under section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2025

A. Conservation of Energy

a) Steps taken or impact on conservation of energy:

The Company has implemented several initiatives aimed at reducing energy consumption and improving overall efficiency, including:

- Replacement of shredder and mill turbines with energy-efficient HT and AC VFD motors.
- Installation of advanced 11KV/690V converter-type transformers and rotary screens replacing DSM screens.
- Use of planetary drives in crystallizers and pug mills for improved energy efficiency.
- Installation of bus bars replacing long cable runs and capacitors to enhance power factor.
- Measures to minimize harmonic losses and reduce heat generation in turbines, motors, and bearings.
- Implementation of a steam economy project to enhance crushing capacity with reduced steam consumption.

Installation of VFDs at:

- 90-Ton Feed Pump
- Boiling House (C-Grain)
- Raw Sugar Centrifugal Machine (regenerative motor for energy conservation)

Additional efforts include:

- Replacement of sodium vapour lamps with LED lighting across multiple locations.
- Installation of energy-efficient inverter air conditioners at C-Grain PAN, Refinery Chemical System, and Sugar Lab.
- Installation of power capacitors at various locations to enhance power factor and reduce energy usage.

b) Steps taken for utilizing alternate sources of energy:

- Proposed installation of solar-powered street lighting across factory premises and residential colonies.
- Implementation of green energy practices through bagasse-based power generation to reduce dependency on fossil fuels.
- Upgradation of the Short Retention Clarifier as per SRI Australia's design to improve energy and process efficiency.

c) Capital investment on energy conservation equipment: Nil

B. Technology Absorption

i) Efforts made towards technology absorption:

- Installation of vertical continuous pans and condensate juice heaters to optimize steam usage.
- Introduction of flash recovery systems and waste heat recovery setups.
- Conversion of evaporation station from DVC + Quadruple to Quintuple effect, reducing steam usage from 48% to 36%.
- Deployment of regenerative batch machines for lower power use.

Cane Development Initiatives:

To enhance sugarcane yield, improve sustainability, and reduce cultivation costs, the Company adopted the following strategies:

- Distribution of tissue culture-raised seedlings and promotion of STP nurseries.
- Mechanization of key farming operations including planting, weeding, and harvesting.

- Fertilizer application based on soil testing; promotion of organic fertilizers.
- Adoption of drip and furrow irrigation systems.
- Use of trash mulching, intercropping, weed/pest management, and crop rotation techniques.
- Promotion of disease-resistant, high-yielding sugarcane varieties; introduction of wide-spacing planting.
- Collaboration with government agencies for establishing seed nurseries.
- Operation of a tissue culture lab for disease-free planting material production.
- Large-scale awareness and agri-input distribution campaigns.
- Replacement of old varieties with new high-yielding strains suited to specific land types (e.g., Upland: CO-0118, CO-15023; Low-Lying: CoP-9301, CO-98014).
- R&D implementation at grower fields, including seed treatment with Thiophanate Methyl 70% W.P., soil treatment with Trichoderma, and polybag methods.
- Promotion of ratoon management, stable saving, gap filling, and nutrient spraying through field campaigns.
- Encouragement of Autumn sowing with intercropping to reduce costs.
- Distribution of modern agricultural implements to growers via Agriculture Technique Service Providers (ATSP), including:
 - 36 Disc Ploughs
 - 15 RMB Ploughs
 - 5 Ratoon Management Devices
 - 15 Tractor-Mounted Foliar Sprayers
 - 2 Single-Row Automatic Sugarcane Planters

- 10 Land Laser Levelers
- 2 Sub Soilers
- 3 Automatic Cane Planters

- Training on trench method planting, seed multiplication, and nursery establishment.
- Frontline demonstrations of innovative sugarcane production techniques.
- Insect and pest control support (e.g., Coragen, Tuventa, Farterra, Trichoderma).
- Cane propping practices to prevent lodging and promotion of water-tolerant varieties in flood-prone areas.
- Establishment of a Seed Treatment Device on the mill campus for enhanced germination and yield.
- Improvement of irrigation infrastructure by distributing boring pipes, electric motors, and promoting solar-powered irrigation in electricity-deficient areas.

ii) The Company has not imported any new technology during last three years.

iii) The Company had incurred an expenditure on Research and Cane Development amounting to ₹265.26 lakhs during financial year 2024–25.

C. Foreign Exchange Earnings and Outgo

- a) Activities relating to exports, initiatives taken to increase exports - Nil
- b) Development of new export markets for products and services and export plan - Nil
- c) Foreign Exchange Earnings (FOB): Nil
- d) Foreign Exchange Outgo: Nil

Annexure - H

Particulars of Employee

A. Particulars of Employees pursuant to Section 134(3)(q) 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, Whole-time Director, Chief Financial Officer and Company Secretary in the financial year 2024-25 and the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2024-25:

Name	Designation	Remuneration for the year ended 31.03.2025 (₹) in Lakhs	Percentage increase in remuneration in the 2024-25 as compared to Previous year 2023-24	Ratio of remuneration of each director to the median remuneration of the employees of the Company
Mr Chandra Shekhar Nopany	Chairperson	17.20	66.99	5.29
Mr Raj Kumar Bagri	Independent Director	18.80	60.68	5.78
Mr Yashwant Kumar Daga	Independent Director	19.40	63.03	5.97
Mr Ishwari Prosad Singh Roy	Independent Director	18.60	67.57	5.72
Mr Padam Kumar Khaitan	Independent Director	18.20	58.26	5.60
Mrs Shashi Sharma	Independent Director	18.40	75.24	5.66
Mr Rajan Arvind Dalal @	Non-Executive Director	15.43	-	-
Mr Chandra Mohan	Whole-time Director	150.47	8.51	51.74
Mr Subramanian Sathyamurthy	Company Secretary	35.20	8.00	Not Applicable
Mr Sudershan Bajaj #	Chief Financial Officer	10.36	-	Not Applicable
Mr Manoj Prasad \$	Chief Financial Officer	22.04	-	Not Applicable

@ Appointed with effect from May 14, 2024

Resigned with effect from July 31, 2024

\$ Appointed with effect from August 14, 2024

- ii. The percentage increase in the median remuneration of employees in the financial year 2024-25 : 21.42%
- iii. The number of permanent employees on the rolls of the Company : 1331
- iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :
- Average increase in the salaries of employees other than managerial personnel in the financial year 2024-25 is 8.00%. Details of percentage increase in the remuneration of managerial personnel is given in the table above.
- v. It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

B. Particulars of Employees pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No	Name of the Employee	Designation	Qualification	Age (years)	Experience (Years)	Date of commencement of Employment	Remuneration Received (₹)	Last employment	Equity Shares held
1.	Mr Pankaj Singh	Chief Operating Officer	BE (NIT Silchar) , ANSI, PGDBA	58	36	01-08-2023	1,88,14,000.00	DCM Shriram Limited	Nil
2.	Mr Chandra Mohan	Whole Time Director	Diploma in Mechanical Engineering	66	42	18-05-2007	1,51,07,939.00	The Oudh Sugar Mills Limited	Nil
3.	Mr Brij Mohan Agarwal	Vice President Sales	B. Com, MBA (Finance)	55	34	01-04-2017	74,40,900.00	The Oudh Sugar Mills Limited	Nil
4.	Mr Ravindra Kumar Tewari	Executive President - Hasanpur	Bsc. Ag. & Ah	56	31	08-05-2021	67,56,580.00	Bajaj Hindustan Limited, Unit - Khambhar Kheda (U.P)	Nil
5.	Mr Mainak Ranjan Chaki	Vice President HR	MBA	52	23	04-07-2022	65,23,376.00	SKIPPER LIMITED	Nil
6.	Mr Vikas Chandra Tyagi	Executive President - Sidhwalia	BE/B.TECH	58	36	23-05-2024	53,78,306.00	Bajaj Hindustan Limited, Unit - Khambhar Kheda (U.P)	Nil
7.	Mr Rajeev Kumar Tyagi	Executive Vice President	Diploma in Mechanical Engineering	57	31	01-01-2024	51,79,710.00	Avadh Sugar & Energy Limited	Nil
8.	Mr Subramanian Sathyamurthy	Company Secretary	B. Com. (Hons.), FCS	59	38	01-04-2017	36,26,826.00	Upper Ganges Sugar & Industries Limited	Nil
9.	Mr Manoj Prasad	Chief Financial Officer	B.Com, AICWA	55	29	28-05-2008	34,34,559.00	Gobind Sugar iMills Limited, Aira (U.P)	Nil
10.	Mr Raj Kumar	Vice President	CA	50	25	07-03-2024	29,12,048.00	Triveni Engineering & Industries Limited	Nil

For and on behalf of the Board

Place: Kolkata
Date: 13th May, 2025

Chandra Shekhar Nopany
Chairperson
DIN- 00014587

Annual Report on Corporate Social Responsibility (CSR) for the financial year 2024-25

1. A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and project or programs.

The Company's CSR policy focuses on practicing its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders and with an intent to make a positive difference to society and to conduct the business in socially responsible, ethical and transparent manner to demonstrate commitment to respect the interest of and be responsive towards all stakeholders, including shareholders, employees, customers, suppliers, project affected people, society at large etc. and create value for all of them.

2. Composition of the CSR Committee.

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number meetings of CSR Committee attended during the year
1.	Mr Padam Kumar Khaitan	Chairperson	3	3
2.	Mr Rajan Arvind Dalal	Independent Director	3	3
3.	Mrs Shashi Sharma	Independent Director	3	3

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

The CSR policy is available on the website of the Company viz. <https://www.birla-sugar.com/Assets/Magadh/Magadh-Sugar-CSR-Policy.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

Not applicable for the financial year under review

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
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5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Not applicable for the financial year under review

6. Average net profit of the Company as per section 135(5) - ₹10198.34

7. a. Two percent of average net profit of the company as per section 135(5) - ₹203.97

b. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. - Nil

c. Amount required to be set off for the financial year, if any - Nil

d. Total CSR obligation for the financial year (7a+7b-7c) - ₹203.97

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

Total Amount Spent for the Financial Year (in ₹)		Amount Unspent (in ₹)			
Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer	
2,12,62,777.12	Not applicable				

8. (b) Details of CSR amount spent against on-going projects for the financial year :

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project	Project Duration	Amount allotted for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation – Director (Yes/ No)
				State	District				

Not Applicable

8 c) Details of CSR amount spent against other than on-going projects for the financial year :

1	2	3	4	5	6	7	8
Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project	Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/ No)	Mode of implementing agency
				State	District		Name
1.	Eye and Health Camp & Ambulance operation	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Bihar	West Champaran	Yes	N/A
2.	Hand Pumps for Drinking Water	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Bihar	West Champaran	Yes	N/A

1 Sl No	2 Name of the Project	3 Item from the list of activities in Schedule VII to the Act	4 Local area (Yes/No)	5 Location of the Project		6 Amount spent for the project (in ₹)	7 Mode of implementation – Direct (Yes/ No	8 Mode of implementation through implementing agency	
				State	District			Name	CSR registration number
3.	Animal Protection (Boloro Camper to forest Department to Capture wild animals from field and shift into to Forest)	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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	Yes	Bihar	West Champaran	12,36,973.00	Yes	N/A	N/A
4.	Training and Sport Material Distribution	Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports	Yes	Bihar	West Champaran	20,000.00	Yes	N/A	N/A
5.	Hutment to Sima Suraksha Bal (SSB) camps at Indo Nepal boarder	Rural Development Projects	Yes	Bihar	West Champaran	8,16,744.00	Yes	N/A	N/A
6.	Training/awareness programme for the cane farmers how to increase yield etc which will improve their economic condition.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Bihar	West Champaran	4,75,445.00	Yes	N/A	N/A
7.	Contribution to Manav Vikas Vidyalaya Trust	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	West Bengal	Kolkata	10,00,000.00	No	Manav Vikas Vidyalaya Trust	CSR00046106

1 Sl No	2 Name of the Project	3 Item from the list of activities in Schedule VII to the Act	4 Local area (Yes/No)	5 Location of the Project		6 Amount spent for the project (in ₹)	7 Mode of implementation – Direct (Yes/ No	8 Mode of implementation – through implementing agency	
				State	District			Name	CSR registration number
8.	Vocational training for girls & women of nearby villages (Development of cloth sewing skills)	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Bihar	West Champaran	5,99,999.00	Yes	N/A	N/A
9.	Health Camp	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Bihar	Gopalganj	16,89,480.62	Yes	N/A	N/A
10.	Seminar/Workshop/Awareness Meeting of 500 Farmers(10 Nos)	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Bihar	Gopalganj	1,00,000.00	Yes	N/A	N/A
11.	Construction of community Hall in Sidhwalia	Rural Development Projects	Yes	Bihar	Gopalganj	76,62,948.45	Yes	N/A	N/A
12.	Construction of Pond for Rain Water Harvesting	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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Bihar	Gopalganj	3,80,961.12	Yes	N/A	N/A
13.	Books & Computer in school	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Bihar	Gopalganj	10,00,709.00	Yes	N/A	N/A

1	2	3	4	5		6	7	8	
				State	District			Name	Mode of implementation – through implementing agency
Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)			Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/ No)		CSR registration number
14.	Installation of Solar Street Light at Local Market(10 Nos)	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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Bihar	Gopalganj	6,05,120.00	Yes	N/A	N/A
15.	Training/awareness programme for the cane farmers how to increase yield etc which will improve their economic condition.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Bihar	Samastipur	3,65,000.00	Yes	N/A	N/A
16.	Health Camp	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Bihar	Samastipur	26,27,767.05	Yes	N/A	N/A
17.	Furniture in school	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Bihar	Samastipur	4,54,863.88	Yes	N/A	N/A
18	Beautification and maintenance of Community areas	Rural Development Projects	Yes	Bihar	Samastipur	2,65,000.00	Yes	N/A	N/A

1	2	3	4	5		6	7	8	
Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/ No)	Mode of implementation – through implementing agency	
				State	District			Name	CSR registration number
19.	Animal Protection(Fodder in cow Shelter)	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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Bihar	Samastipur	1,00,000.00	Yes	N/A	N/A
20.	Training and Sport Material Distribution	Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports	Yes	Bihar	Samastipur	5,96,460.00	Yes	N/A	N/A

(d) Amount spent in Administrative Overheads - NIL

(e) Amount spent on Impact Assessment, if applicable - NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹212.63 Lakh

(g) Excess amount for set off, if any - NIL

Sr. No.	Name of Director	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	203.97 Lakhs
(ii)	Total amount spent for the Financial Year	212.63 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	8.66 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	8.66 Lakhs

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

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

Not applicable

9. (b) Details of CSR amount spent in the financial year for on-going projects of the preceding financial year(s) :

SI No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the Project – Completed / On-going
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Not applicable

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

- Date of creation or acquisition of the capital asset(s) : **Not applicable**
- Amount of CSR spent for creation or acquisition of capital asset : **Not applicable**
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc : **Not applicable**
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not applicable**

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

Place: Kolkata
Date: 13th May, 2025

Chandra Mohan
Whole-time Director
DIN – 07760264

Padam Kumar Khaitan
Chairperson, CSR Committee
DIN - 00019700

Independent Auditor's Report

To
The Members of
Magadh Sugar & Energy Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Magadh Sugar & Energy Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other 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 Act.

Our responsibilities under those SAs 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 Act 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 on the financial statements.

Key Audit Matter

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.

Cost of sugar inventory

See Note 8 to financial statements

The key audit matter	How the matter was addressed in our audit
The cost of sugar inventory is computed separately for each sugar mill of the Company. Further, since sugar industry is seasonal in nature, significant judgement is involved in determination of cost of inventories. We have identified determining cost of inventories of sugar as a key audit matter because of:	In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: - Evaluated the appropriateness of accounting policy of sugar inventory in terms of relevant accounting standard; - Tested the design, implementation and operating effectiveness of the Company's key controls over computation of cost of sugar inventory for each sugar mill;

The key audit matter	How the matter was addressed in our audit
- significant judgment involved in determination of cost of conversion. It is affected by variability in seasonal factors including number of sugarcane crushing days, recovery of sugar from cane, syrup produced and allocation of cost to by-products based on net realisable value ('NRV'); - the voluminous data involved; - the relative amount (₹56,413.75 Lakhs) of the sugar inventory is significant to financial statements as a whole (33.40% of total assets); and - Impact of notifications/orders from regulators on the cost of sugar inventory.	- Tested the cost sheet data of each sugar mill. We assessed the adequacy of the method used, relevance and reliability of data and the formula applied for determining the cost of sugar inventory. This included the basis of allocation of cost to by-products based on NRV. - In addition, we assessed the impact of notifications/ orders of the regulators on cost of sugar inventory. For cost of conversion, we assessed the impact of variability in seasonal factors including number of sugarcane crushing days and recovery of sugar from sugarcane.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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 the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(B) (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 1 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in

our opinion and to the best of our information and according to the explanations given to us:

- 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 38(a) to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 46 to the financial statements, 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 person(s) or entity(ies), 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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 46 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 18(a) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the company has used an accounting software and payroll software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that the audit trail feature was not enabled at the database level for the payroll software to log any direct data changes for the period from 1 April 2024 to 30 January 2025. For accounting and payroll software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

With respect to cane purchase software the audit trail feature is enabled however in absence of relevant evidence we are unable to comment whether the audit trail feature has operated through- out the year for all relevant transactions recorded in the software or whether there are any instances of the audit software being tampered with.

Additionally, where audit trail (edit log) facility was enabled and operated in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/ payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN:25055757BMNSHE4793

Place: Kolkata

Date: 13 May 2025

Annexure A to the Independent Auditor's Report on the Financial Statements of Magadh Sugar & Energy Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property,

plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land	7.83	New Swadeshi Sugar Mills (the Erstwhile Company)	No	Since 1 April 2015	Transferred to the Company pursuant to Composite Scheme of Arrangement, mutation in the name of the Company is pending as on the Balance Sheet date

- (d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts/sales has been linked with inventory records.

In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of 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 working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account (₹ in Lakhs)	Amount as reported in the quarterly return/ statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)	Whether return/statement subsequently rectified
31 March 2025	SBI, ICICI Bank, DCB,	Inventories	70,021.58	70,897.20	(875.62)	Not applicable, refer to Note 19 (iii) of the financial statements.
31 December 2024	HDFC Bank, South	Inventories	40,967.37	36,155.77	4,811.60	
30 September 2024	Indian Bank, Yes Bank,	Inventories	25,521.53	24,833.50	688.03	
30 June 2024	Axis Bank and RBL Bank	Inventories	51,363.64	51,507.61	(143.97)	

(iii) 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 or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties. The Company has not granted any loans, secured or unsecured, companies, firms or limited liability partnership during the year. The Company has granted loans to employees during the year, in respect of which the requisite information is as below.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to any employees as below:

Particulars	Loan to employees Amount in ₹ Lakhs
Aggregate amount during the year	83.07
Balance outstanding as at balance sheet date	19.41

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans to employees during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given to employees, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given to employees. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue amounts of existing loans given to same parties.

(f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. Also, as explained to us, the Company did not have any dues on account of Employees State Insurance and Duty of Customs.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax, Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax, Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax, Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount# (₹ in Lakhs)	Amount paid* (₹ in Lakhs)	Net amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Bihar VAT Act, 2005	Differential VAT on Deatured Spirit. VAT on exempted sales	64.34	8.11	56.23	2010-2011 & 2011-2012	Appellate Tribunal, Patna
Bihar Molasses (Control) Act, 1947	Administration Charges on Molasses	155.05	38.76	116.29	1995-1996 to 1999-2000	Supreme Court of India
The Bihar Electricity Duty Act, 1948	Recovery of Energy Charges dues	0.96	-	0.96	2009-10	Certificate Officer, Samastipur
Central Excise Act, 1944	Disallowance of CENVAT credit on certain input / capital items / input services	531.29	30.14	501.15	2004-2005 to 2007-2008 and 2014-15 to 2016-17	Customs Excise and Service Tax Appellate Tribunal (CESTAT) / Commissioner (Appeal)
Bihar Sugarcane (Supply & Regulation) Act, 1981	Interest on Cane Cess	3.37	-	3.37	1984-1985 to 1986-1987, 1991-1992, 1994-1995 to 1998-1999, 2003-2004 and 2004-2005	Certificate Officer, Samastipur
Central Goods and Services Tax Act, 2017	Disallowance of GST ITC credit on certain input / capital items / input services	205.27	-	205.27	2017-18 to 2021-22	Customs, Central GST and Excise Commissioner (Appeal), Patna

*paid under protest

Amount as per demand Order including interest and penalty, if indicated in the demand order

- (viii) 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) (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 defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (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 not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has two CICs as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN:25055757BMNSHE4793

Place: Kolkata

Date: 13 May 2025

Annexure B to the Independent Auditor's Report on the financial statements of Magadh Sugar & Energy Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Magadh Sugar & Energy Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance

regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

ICAI UDIN:25055757BMNSHE4793

Place: Kolkata

Date: 13 May 2025

Balance Sheet as at 31 March 2025

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	4	89,613.01	79,161.27
(b) Capital Work-in-Progress	5	3,975.29	455.72
(c) Intangible Assets	6	7.69	8.88
(d) Financial Assets			
(i) Investments	7	0.66	0.66
(ii) Other Financial Assets	14	1,104.78	69.88
(e) Other Non-current Assets	16	165.36	1,381.23
Total Non-current Assets		94,866.79	81,077.64
2. Current Assets			
(a) Inventories	8	70,021.58	74,970.74
(b) Biological assets other than bearer plants	9	113.75	117.35
(c) Financial Assets			
(i) Trade Receivables	10	2,234.31	3,514.83
(ii) Cash and Cash Equivalents	11	11.37	15.66
(iii) Bank Balances other than (ii) above	12	108.02	91.37
(iv) Loans	13	19.41	24.55
(v) Other Financial Assets	14	407.88	414.85
(d) Current Tax Assets (net)	15	233.87	90.22
(e) Other Current Assets	16	881.47	790.10
Total Current Assets		74,031.66	80,029.67
TOTAL ASSETS		1,68,898.45	1,61,107.31
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	1,409.16	1,409.16
(b) Other Equity	18	81,985.82	73,151.60
Total Equity		83,394.98	74,560.76
LIABILITIES			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	17,477.34	7,236.16
(ii) Lease Liabilities	20	-	12.33
(b) Provisions	24	222.49	244.34
(c) Deferred Tax Liabilities (net)	25	5,535.87	4,877.24
Total Non-current Liabilities		23,235.70	12,370.07
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	53,242.17	56,443.75
(ii) Lease Liabilities	20	14.24	15.00
(iii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises;	21	61.53	93.44
and			
(B) Total outstanding dues of creditors other than micro enterprises	21	6,235.09	15,076.94
and small enterprises			
(iv) Other Financial Liabilities	22	1,305.29	919.68
(b) Other Current Liabilities	23	813.38	490.09
(c) Provisions	24	596.07	429.95
(d) Current Tax Liabilities (net)	26	-	707.63
Total Current Liabilities		62,267.77	74,176.48
Total Liabilities		85,503.47	86,546.55
TOTAL EQUITY AND LIABILITIES		1,68,898.45	1,61,107.31
Summary of material accounting policies	3		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
Place: Kolkata
Date: 13 May 2025

For and on behalf of the Board of Directors
Chandra Mohan
Whole-time Director
DIN: 07760264

Subramanian Sathyamurthy
Company Secretary

Chandra Shekhar Nopany
Chairman
DIN: 00014587

Manoj Prasad
Chief Financial Officer

Statement of Profit and Loss

for the year ended 31 March 2025

(₹ in Lakhs)

Particulars	Notes	Year Ended 31 March 2025	Year Ended 31 March 2024
I. Revenue from Operations	27	1,32,228.50	1,09,658.03
II. Other Income	28	282.16	157.01
III. Total Income (I + II)		1,32,510.66	1,09,815.04
IV. Expenses			
Cost of Raw Materials Consumed	29	84,975.74	90,526.13
Purchase of Stock-in-trade		841.43	-
Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade	30	4,664.69	(20,324.69)
Employee benefits expense	31	6,691.58	6,271.30
Finance costs	32	3,846.39	3,261.74
Depreciation and amortization expense	33	2,742.09	2,542.54
Other expenses	34	13,970.73	11,878.78
Total Expenses		1,17,732.65	94,155.80
V. Profit before tax (III + IV)		14,778.01	15,659.24
VI. Tax expense	35		
Current tax		3,175.89	4,263.74
Deferred tax		657.51	(245.46)
Total tax expenses		3,833.40	4,018.28
VII. Profit for the year (V - VI)		10,944.61	11,640.96
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement gain / (loss) of defined benefit plans		4.48	(40.69)
(b) Income taxes relating to items that will not be reclassified to profit or loss		(1.12)	10.24
Other comprehensive income for the year, net of income tax		3.36	(30.45)
IX. Total comprehensive income for the year (VII + VIII)		10,947.97	11,610.51
X. "Earnings per equity share [Nominal value per equity share ₹ 10 (₹ 10)]"	36		
(a) Basic (₹)		77.67	82.61
(b) Diluted (₹)		77.67	82.61
Summary of material accounting policies	3		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors

Chandra Mohan

Whole-time Director

DIN: 07760264

Chandra Shekhar Nopany

Chairman

DIN: 00014587

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

Place: Kolkata

Date: 13 May 2025

Subramanian Sathyamurthy

Company Secretary

Manoj Prasad

Chief Financial Officer

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

A. Equity Share Capital

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2025		As at 31 March 2024	
		No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	17	1,40,91,630	1,409.16	1,40,91,630	1,409.16
Changes in Equity Share Capital during the year		-	-	-	-
Balance at the end of the year	17	1,40,91,630	1,409.16	1,40,91,630	1,409.16

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus			
	Capital Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance at 1 April 2024	36,897.75	747.39	35,506.46	73,151.60
Total comprehensive income for the year				
- Profit for the year	-	-	10,944.61	10,944.61
- Other Comprehensive income for the year	-	-	3.36	3.36
Total comprehensive income	-	-	10,947.97	10,947.97
Final Dividend paid on equity shares [Note 18]	-	-	(2,113.75)	(2,113.75)
Balance at 31 March 2025	36,897.75	747.39	44,340.68	81,985.82
Balance at 1 April 2023	36,897.75	747.39	24,882.36	62,527.50
Total comprehensive income for the year				
- Profit for the year	-	-	11,640.96	11,640.96
- Other Comprehensive income for the year	-	-	(30.45)	(30.45)
Total comprehensive income	-	-	11,610.51	11,610.51
Final Dividend paid on equity shares [Note 18]	-	-	(986.41)	(986.41)
Balance at 31 March 2024	36,897.75	747.39	35,506.46	73,151.60

The description, nature and purpose of each reserve within equity are as follows:

(a) Capital Reserve

The difference between the net fair value of assets and liabilities of the sugar business undertakings acquired and shares allotted pursuant to the scheme of arrangement in earlier year.

(b) Capital Redemption Reserve

The Company had created Capital Redemption Reserve on Non-convertible cumulative redeemable preference shares in accordance with the Companies Act, 2013. The reserve may be applied in accordance with the provisions of Section 69 of the Companies Act, 2013.

(c) Retained Earnings

Retained earnings comprise of accumulated profit of the Company after dividends or other distributions, if any, paid to shareholders. Retained earnings includes remeasurement gains / (losses) on defined benefit plans net of taxes.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

Place: Kolkata

Date: 13 May 2025

For and on behalf of the Board of Directors

Chandra Mohan

Whole-time Director

DIN: 07760264

Subramanian Sathyamurthy

Company Secretary

Chandra Shekhar Nopany

Chairman

DIN: 00014587

Manoj Prasad

Chief Financial Officer

Cash Flow Statement for the year ended 31 March 2025

(₹ in Lakhs)

Particulars	Notes	Year Ended 31 March 2025	Year Ended 31 March 2024
(A) CASH FLOW FROM OPERATING ACTIVITIES:			
Profit before tax		14,778.01	15,659.24
Adjustments for:			
Depreciation and amortisation expense		2,742.09	2,542.54
Depreciation in relation to farm assets		17.42	13.82
Finance Costs		3,846.39	3,261.74
Loss allowance on trade receivables		400.59	2.99
Bad debts, irrecoverable claims and advances written off (net)		172.07	1.38
(Gain) / Loss on sale / discard of Property, Plant and Equipment (net)		(59.32)	38.58
Interest income		(41.64)	(36.28)
Unspent liabilities, Provisions no longer required and Unclaimed balances written back		(125.03)	(43.17)
		21,730.58	21,440.84
Working capital adjustments:			
Decrease / (Increase) in Inventories		4,949.16	(18,469.15)
Decrease / (Increase) in Biological assets other than bearer plants		3.60	(6.37)
Decrease / (Increase) in Trade Receivables and Loans		764.16	(63.39)
(Increase) in Other Financial Assets		(1,025.91)	(3.95)
(Increase) in Other Assets		(137.96)	(38.13)
(Decrease) / Increase in Trade Payables		(8,748.73)	4,585.97
(Decrease) in Other Financial Liabilities		(47.35)	(348.28)
Increase / (Decrease) in Provisions		148.75	(62.08)
Increase / (Decrease) in Other Liabilities		323.29	(102.80)
Cash generated from Operations		17,959.59	6,932.66
Income tax paid (net of refund received)		(4,027.17)	(3,825.41)
Net Cash generated from Operating Activities		13,932.42	3,107.25
(B) CASH FLOW FROM INVESTING ACTIVITIES:			
Proceeds from sale of Property, Plant and Equipment		222.98	4.86
Proceeds from sale of Intangible Assets		-	1.71
Capital subsidy received		-	477.92
Acquisition of Property, Plant and Equipment		(15,236.37)	(4,763.96)
Acquisition of Intangible Assets		(2.70)	-
Interest received		41.64	36.28
Fixed deposits placed with banks		(3.51)	(56.04)
Net Cash used in Investing Activities		(14,977.96)	(4,299.23)

Cash Flow Statement for the year ended 31 March 2025

(₹ in Lakhs)

Particulars	Notes	Year Ended 31 March 2025	Year Ended 31 March 2024
(C) CASH FLOW FROM FINANCING ACTIVITIES:			
Repayment of Non-current Borrowings		(5,062.46)	(6,562.50)
Proceeds from Non-current Borrowings		15,725.00	-
Repayment of Inter-corporate deposits		-	(1,700.00)
(Repayments of) / Proceeds from Cash Credit including WCDL (net)		(3,536.71)	13,655.95
Repayment of Lease liabilities		(13.09)	(12.03)
Interest on lease liabilities paid		(1.91)	(2.97)
Other Interest paid		(3,955.83)	(3,197.42)
Final dividend paid on Equity Shares		(2,113.75)	(986.41)
Net Cash generated from Financing Activities		1,041.25	1,194.62
Net Changes in Cash & Cash Equivalents (A + B + C)		(4.29)	2.64
Cash & Cash Equivalents at the beginning of the year		15.66	13.02
Cash & Cash Equivalents at the end of the year [Note 11]		11.37	15.66

1. Change in Liability arising from financing activities

(₹ in Lakhs)

Particulars	As on 1 April 2024	Change in Current portion of Non-current borrowings	Cash Flow	Fair Value / Non- Cash Change	As on 31 March 2025
Non-current Borrowings [Note 19]	7,236.16	(335.13)	10,662.54	(86.23)	17,477.34
Current Borrowings [Note 19]	56,443.75	335.13	(3,536.71)	-	53,242.17

(₹ in Lakhs)

Particulars	As on 1 April 2023	Change in Current portion of Non-current borrowings	Cash Flow	Fair Value / Non- Cash Change	As on 31 March 2024
Non-current Borrowings [Note 19]	12,240.75	1,497.37	(6,562.50)	60.54	7,236.16
Current Borrowings [Note 19]	45,985.17	(1,497.37)	11,955.95	-	56,443.75

Refer Note 20 for movement in lease liabilities.

2. The Cash Flows Statement has been prepared under the “Indirect Method” as set out in Ind-AS 7 “Statement of Cash Flows”.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors

Chandra Mohan

Whole-time Director

DIN: 07760264

Chandra Shekhar Nopany

Chairman

DIN: 00014587

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

Place: Kolkata

Date: 13 May 2025

Subramanian Sathyamurthy

Company Secretary

Manoj Prasad

Chief Financial Officer

Notes to Financial Statements for the year ended 31 March 2025

1. Reporting entity

Magadh Sugar & Energy Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Post Office Hargaon, District Sitapur, Uttar Pradesh 261121, India. Its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The Company is primarily engaged in the manufacture and sale of sugar and its by-products (molasses, bagasse and press-mud), denatured spirits (including ethanol) and power. The Company has operations in India.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 13 May 2025.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ('Act'), other relevant provisions and presentation requirement of Division II of Schedule III to the Act, as applicable.

Details of the Company's accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest Lakhs, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

Items	Measurement basis
(i) Certain financial assets and liabilities	Fair value
(ii) Biological assets other than bearer plants	Fair value less costs to sell
(iii) Employee's defined benefit plan	As per actuarial valuation (present value of defined benefit obligation less fair value of plan assets)

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a 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.

2.4 Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included in the following notes:

- Note 3.2 and 43 - Impairment of financial assets: key assumptions used in estimating recoverable cash flows.
- Note 3.3, 3.4, 4 and 6 - Useful life and residual value of property, plant and equipment and intangible assets;
- Note 3.6 and 24 - Measurement of defined benefit obligations: key actuarial assumptions;

Notes to Financial Statements for the year ended 31 March 2025

- Note 3.7, 3.8 and 3.8 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Information about assumptions and judgement uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included in the following notes:

- Note 3.5 and 8 - Valuation of Inventories;

2.5 Measurement of fair value

A number of the Company's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. 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. Further information about the assumptions made in measuring fair values is included in Note 2.4.

3. Summary of material accounting policies

3.1 Classification of assets and liabilities as current and non-current

All assets and liabilities are classified as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria :

- it is expected to be realised in or intended for sale or consumption in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

Notes to Financial Statements

for the year ended 31 March 2025

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within twelve months after the reporting date; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

3.2 Financial instruments

Recognition and initial measurement

Trade Receivables issued are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

(i) Financial assets

On initial recognition, a financial asset is classified as and measured at:

- amortised cost; or
- fair value through other comprehensive income (FVOCI) - Equity Investment; or
- fair value through profit or loss (FVTPL).

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cashflows.

(ii) Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

Notes to Financial Statements for the year ended 31 March 2025

(iii) Financial assets at fair value through other comprehensive income (FVOCI)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

Financial assets are measured at the FVOCI if both of the following conditions are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The Assets contractual cash flows on specified dates represent SPPI on the principal amount outstanding.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

(iv) Financial assets at fair value through profit or loss (FVTPL)

All financial assets which do not meet the criteria for categorisation as at amortised cost or FVOCI as described above are classified as at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

(v) Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.
Financial assets at amortised cost	"These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss."

Notes to Financial Statements for the year ended 31 March 2025

(vi) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

(vii) Financial liabilities through fair value through profit or loss (FVTPL)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

(viii) Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Derecognition

(i) Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(ii) Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

(i) Impairment of financial instruments : financial assets

At each reporting date, the Company assesses whether financial assets, than those at FVTPL are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Notes to Financial Statements for the year ended 31 March 2025

The Company recognises loss allowances using the expected credit losses (ECL) model for the financial assets which are fair valued through profit or loss.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables on an individual case to case basis on the basis of its historical credit loss experience.

For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Notes to Financial Statements for the year ended 31 March 2025

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.3 Property, plant and equipment [PPE]

Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are stated at cost / deemed cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land is carried at historical cost less any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price inclusive of duties, taxes, after deducting trade discounts and rebates, incidental expenses, erection/ commissioning expenses, borrowing cost, any directly attributable cost of bringing the item to its working condition for its intended use and costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Subsequent expenditure

Subsequent costs are capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful lives of assets and recognised in the Statement of Profit and Loss.

The useful lives have been determined based on evaluation done by the management's expert and are in line with the useful life specified in Part C of Schedule II to the Companies Act, 2013, except for certain factory building, non-factory buildings and plant and equipment where prescribed rates per Companies Act 2023 are 30 years, 60 years and 15-40 years respectively, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The range of estimated useful lives of items of property, plant and equipment are as follows:

Class of assets	Management estimate of useful life
Factory buildings	5 - 30
Non factory buildings	5 - 60
Plant and equipment	5 - 40
Computer and data processing equipment	3 - 6
Furniture and fixtures	10
Vehicles	8 - 10
Office equipment	5

Notes to Financial Statements for the year ended 31 March 2025

Depreciation method, useful lives and residual values of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Depreciation on additions to or disposal of assets is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off). Freehold land is not depreciated.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment. [Note 4]

Capital work-in-progress (CWIP)

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Directly attributable expenditure (including finance costs relating to borrowed funds / general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as Pre-operative expenses pending allocation to the asset and are shown under CWIP.

3.4 Intangible assets

Intangible assets including Computer software are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and impairment loss, if any. Intangible assets are amortised on straight line method basis over the estimated useful life. Estimated useful life of the Computer software is considered as five years.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss as incurred.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets. [Note 6]

3.5 Inventories

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on annual weighted average method / moving average method.

Work-in-progress and Finished goods are valued at lower of cost and net realisable value. Work-in-progress and Finished goods include cost of conversion and other costs incurred in bringing the inventories to their present location and condition based on normal operating capacity. Cost is determined on weighted average basis. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods.

By products and Saleable scraps, whose cost is not identifiable, are valued at estimated net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

Notes to Financial Statements for the year ended 31 March 2025

3.6 Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees. The Company makes specified periodically contribution to the following defined contribution plans :

- a) Provident / Pension funds;
- b) Superannuation fund. "

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plans ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The contributions are deposited with the Life Insurance Corporation of India based on information received by the Company. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature.

The expected cost of accumulating compensated absences is measured on the basis of an annual independent actuarial valuation using the projected unit credit method, for the unused entitlement that has accumulated as at the balance sheet date. Remeasurement gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise.

Non-accumulating compensated absences are recognised in the period in which the absences occur. Since, the employee has unconditional right to avail the leave, the benefit is classified as current provisions.

Notes to Financial Statements for the year ended 31 March 2025

3.7 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Expected future operating losses are not provided for.

3.8 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is possible. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognised in the financial statements but disclosed, where an inflow of economic benefit is probable.

3.9 Revenue from contract with customer

Sale of goods (excluding power)

Revenue from sale of product is recognised at the point in time when control of the goods is transferred to the customer.

At contract inception, the Company assesses the goods promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue from contracts with customers is recognized when control of goods are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold i.e. the Company's performance obligations are satisfied on delivery of goods to the customer. The timing of the transfer of control varies depending on individual terms of the sales agreements.

Revenue is measured at transaction price, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government, if applicable.

Sale of Power

The Company's derives its power revenue from the production and sale of electricity based on Power Purchase Agreements. Revenue is recognised at the point in time upon delivery of electricity produced to the electricity grid based on the agreed tariff rate (net of discounts for prompt payment of bills). Delivery is deemed complete when control associated with ownership have been transferred to the grid as contractually agreed, compensation has been contractually established and collection of the resulting receivable is probable.

3.10 Recognition of Interest income or expense, Insurance claim

Interest income

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Interest is recognised on time proportion basis.

Interest income is included in "Other Income" in the Statement of Profit and Loss.

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Notes to Financial Statements

for the year ended 31 March 2025

3.11 Expenses

All expenses are accounted for on accrual basis.

3.12 Government grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Government grants related to revenue are recognised in the Statement of Profit and Loss on a systematic and rational basis in the periods in which the Company recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Operating Revenue".

Government grants received relating to property, plant and equipment and other intangible assets are deducted from the gross value of the property, plant and equipment and other intangible assets concerned in arriving at the carrying amount of the related property, plant and equipment and other intangible assets. The grant is recognised in the statement of profit or loss over the life of the related depreciable asset as a reduced depreciation expense.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss by netting with the related finance cost. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.13 Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Statement of profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Notes to Financial Statements

for the year ended 31 March 2025

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.14 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Refer Note 40 for segment information presented.

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

The Company's Whole-Time Director (WTD) has been identified as being the chief operating decision maker by the management of the Company.

3.15 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank, short-term deposits with an original maturity of three months or less and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.17 Cash flow statement

Cash flows are reported using the indirect method, whereby profit or loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.18 Earnings per share

Basic earnings per share 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.

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

Notes to Financial Statements for the year ended 31 March 2025

3.19 Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) Financial assets

Financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL or at FVOCI.

Investments in equity instruments are measured at FVOCI and combination of different methodologies i.e. discounted cash flow method, comparable companies method and net assets method with different weightage has been used for fair valuations of investment in unquoted securities.

ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

iii) Financial liabilities

Financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

Notes to Financial Statements for the year ended 31 March 2025

4. Property, Plant and Equipment

(₹ in Lakhs)

	Freehold Land [Note 39]	Buildings	Plant and Equipment	Computer and Data Processing Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Right of use - assets [Note 20]	Total
Reconciliation of carrying amount									
Gross carrying amount									
Balance at 1 April 2024	38,717.17	9,067.89	46,209.67	212.11	209.73	492.05	93.96	50.42	95,053.00
Additions during the year	295.38	79.68	12,934.34	24.25	17.82	8.72	10.83	-	13,371.02
Disposal / deduction during the year	-	(0.01)	(565.54)	(8.15)	(1.69)	(41.35)	(2.93)	-	(619.67)
Balance at 31 March 2025	39,012.55	9,147.56	58,578.47	228.21	225.86	459.42	101.86	50.42	1,07,804.35
Balance at 1 April 2023	37,233.20	8,744.52	45,494.77	243.86	186.77	349.91	78.65	50.42	92,382.10
Additions during the year	1,483.97	323.37	1,258.14*	16.58	26.00	142.88	17.10	-	3,268.04
Disposal / deduction during the year	-	-	(543.24)	(48.33)	(3.04)	(0.74)	(1.79)	-	(597.14)
Balance at 31 March 2024	38,717.17	9,067.89	46,209.67	212.11	209.73	492.05	93.96	50.42	95,053.00
Accumulated depreciation									
Balance at 1 April 2024	-	1,790.58	13,574.79	147.08	84.78	219.57	49.65	25.28	15,891.73
Depreciation for the year (a)	-	371.25	2,270.23	30.09	19.73	39.13	12.60	12.59	2,755.62
Disposal / deduction during the year	-	-	(409.45)	(7.65)	(1.45)	(34.68)	(2.78)	-	(456.01)
Balance at 31 March 2025	-	2,161.83	15,435.57	169.52	103.06	224.02	59.47	37.87	18,191.34
Balance at 1 April 2023	-	1,441.06	11,502.88	164.13	67.93	188.05	38.04	12.60	13,414.69
Depreciation for the year (a)	-	349.52	2,096.56	28.69	19.52	32.22	13.08	12.68	2,552.27
Disposal / deduction during the year	-	-	(24.65)	(45.74)	(2.67)	(0.70)	(1.47)	-	(75.23)
Balance at 31 March 2024	-	1,790.58	13,574.79	147.08	84.78	219.57	49.65	25.28	15,891.73
Carrying amount (net)									
At 31 March 2025 (b)	39,012.55	6,985.73	43,142.90	58.69	122.80	235.40	42.39	12.55	89,613.01
At 31 March 2024 (b)	38,717.17	7,277.31	32,634.88	65.03	124.95	272.48	44.31	25.14	79,161.27

* Includes Subsidy received from State Government of Bihar [Note 42].

(a) Includes ₹17.42 Lakhs (31 March 2024 ₹13.82 Lakhs) in relation to farm assets.

(b) Property, Plant and Equipment other than related to farm assets of ₹20,606.78 Lakhs (31 March 2024: ₹20,615.85 Lakhs) and Right of use - assets given as security for borrowings [Note 19].

Notes to Financial Statements for the year ended 31 March 2025

5. Capital Work-in-Progress

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Reconciliation of carrying amount		
Balance at the beginning of the year	455.72	239.41
Add: Additions during the year	15,955.34	1,305.82
Less: Transfer to PPE during the year	12,435.77	1,089.51
Balance at the end of the year	3,975.29	455.72

- a) The amount of borrowing costs capitalised during the year **₹331.52 lakhs** (31 March 2024: Nil). The annual rate i.e. the effective rate of interest used to determine the amount of general borrowing costs eligible for capitalisation is in the range of **7.24 % p.a. to 9.30% p.a.** (31 March 2024: Nil) and **8.40% p.a.** (31 March 2024: Nil) for the specific borrowing.

b) Capital Work-in-Progress ageing schedule:

(₹ in Lakhs)

Capital Work-in-Progress (CWIP)	Amount of CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2025					
Projects in progress	3,960.19	15.10	-	-	3,975.29
Projects temporarily suspended	-	-	-	-	-
	3,960.19	15.10	-	-	3,975.29
As on 31 March 2024					
Projects in progress	455.72	-	-	-	455.72
Projects temporarily suspended	-	-	-	-	-
	455.72	-	-	-	455.72

6. Intangible Assets

(₹ in Lakhs)

Computer Software	As at 31 March 2025	As at 31 March 2024
Reconciliation of carrying amount		
Gross carrying amount		
Balance at the beginning of the year	63.35	65.10
Additions during the year	2.70	-
Disposal / discard during the year	-	1.75
Balance at the end of the year	66.05	63.35
Accumulated depreciation		
Balance at the beginning of the year	54.47	50.97
Amortisation for the year	3.89	4.09
Disposal / discard during the year	-	0.59
Balance at the end of the year	58.36	54.47
Carrying amount (net)	7.69	8.88

Notes to Financial Statements for the year ended 31 March 2025

7. Investments

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current Investments:		
Investment in Government securities carried at amortised cost - unquoted (fully paid) *		
11% Bihar State Development Loan, 2001	0.53	0.53
7 Years National Savings Certificates	0.05	0.05
6 Years National Savings Certificates	0.08	0.08
	0.66	0.66
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	0.66	0.66
Aggregate amount of impairment in value of investments	-	-

* Deposited / pledged with various Government authorities.

8. Inventories

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(Value at lower of cost and net realisable value)		
Raw materials *	2,821.98	2,351.80
Work-in-progress	174.25	563.56
Finished goods *	59,779.05	65,568.08
Stock-in-trade	133.30	-
Stores, chemicals and spare parts *	1,260.69	2,015.34
Bio-compost	85.03	99.92
(Valued at estimated net realisable value)		
By-Products	5,748.68	4,368.11
Scrap	18.60	3.93
	70,021.58	74,970.74
* includes stock in transit:		
Raw materials	-	5.10
Finished goods	93.27	16.96
Stores, chemicals and spare parts	39.55	38.00

- a) ₹28.25 lakhs (31 March 2024: ₹ Nil) recognised as expenses, being write-down of inventories to net realisable value, included in Changes in inventories of Finished Goods and Work-in-progress. [Note 30]
- b) Inventories are hypothecated against borrowings [Note 19].

9. Biological assets other than bearer plants

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Reconciliation of carrying amount		
Balance at the beginning of the year	117.35	110.98
Expenditure incurred during the year	112.77	119.90
Change in fair value less cost to sale	25.94	34.59
New Crop Plantations	113.65	122.03
Decrease due to harvested sugarcane transferred to inventory	(255.96)	(270.15)
[including captive consumption of ₹143.25 lakhs (31 March 2024: ₹169.52 lakhs)]		
Balance at the end of the year	113.75	117.35

Notes to Financial Statements for the year ended 31 March 2025

9. Biological assets other than bearer plants *Contd.*

A. Measurement of fair values

The fair value of the sugarcane and other agriculture products at harvest is determined by the quantities harvested, it is valued at the rate fixed by the Bihar Government (Level 1). For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date (Level 3).

B. Risk management strategy related to agricultural activities

The Company is exposed to a number of risks related to its sugarcane plantations.

i. Regulatory and environmental risks

The Company has established environmental policies and procedures, aimed for compliance, with local environmental and other laws.

ii. Supply and demand risk

The Company is exposed to risks arising from fluctuations in the sale price and quantity of sugarcane produced. When possible the Company manages this risk by aligning its harvest volume to market supply and demand.

iii. Climate and other risks

The Company's sugar cane plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Company has extensive processes in place aimed at monitoring and mitigating those risks.

10. Trade Receivables

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Trade Receivables considered good - Unsecured	2,234.31	3,514.83
Trade Receivables which have significant increase in credit risk	243.31	5.68
	2,477.62	3,520.51
Less: Loss allowance	243.31	5.68
	2,234.31	3,514.83

- (a) No debt is due by directors or other officers of the Company or any of them either severally or jointly with any other person or no debt due by firms including limited liability partnerships (LLPs) or private companies respectively in which any director is a partner or a director or a member.
- (b) Information about the Company's exposure to credit risks and loss allowances related to trade receivables are disclosed in Note 43(C).
- (c) Trade Receivables are hypothecated against borrowings [Note 19].

Notes to Financial Statements for the year ended 31 March 2025

d) Trade Receivables ageing schedule:

(₹ in Lakhs)

Particulars	Trade Receivables considered good - Unsecured			Trade Receivables which have significant increase in credit risk			Grand Total
	Undisputed	Disputed	Total	Undisputed	Disputed	Total	
As on 31 March 2025							
Unbilled dues	105.19	-	105.19	-	-	-	105.19
Not due	1,642.22	-	1,642.22	-	-	-	1,642.22
Outstanding for following periods from due dates of payment							
- Less than 6 months	450.42	-	450.42	-	232.62	232.62	683.04
- 6 months - 1 year	7.76	-	7.76	-	4.15	4.15	11.91
- 1 - 2 years	28.72	-	28.72	-	0.86	0.86	29.58
- 2 - 3 years	-	-	-	-	-	-	-
- More than 3 years	-	-	-	-	5.68	5.68	5.68
	486.90	-	486.90	-	243.31	243.31	730.21
	2,234.31	-	2,234.31	-	243.31	243.31	2,477.62

(₹ in Lakhs)

Particulars	Trade Receivables considered good - Unsecured			Trade Receivables which have significant increase in credit risk			Grand Total
	Undisputed	Disputed	Total	Undisputed	Disputed	Total	
As on 31 March 2024							
Unbilled dues	-	-	-	-	-	-	-
Not due	1,673.49	-	1,673.49	-	-	-	1,673.49
Outstanding for following periods from due dates of payment							
- Less than 6 months	1,763.48	31.10	1,794.58	-	-	-	1,794.58
- 6 months - 1 year	46.75	-	46.75	-	-	-	46.75
- 1 - 2 years	0.01	-	0.01	-	-	-	0.01
- 2 - 3 years	-	-	-	-	-	-	-
- More than 3 years	-	-	-	-	5.68	5.68	5.68
	1,810.24	31.10	1,841.34	-	5.68	5.68	1,847.02
	3,483.73	31.10	3,514.83	-	5.68	5.68	3,520.51

11. Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks		
- Current accounts	3.52	2.69
Cheques on hand	-	1.47
Cash on hand	7.85	11.50
	11.37	15.66

Notes to Financial Statements for the year ended 31 March 2025

12. Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Bank deposits due to mature after three months of original maturity but within twelve month of reporting date	59.55	56.04
Earmarked balances with banks		
- Unpaid dividend accounts	47.50	32.33
- Unpaid fractional share pay-out account	0.83	0.84
- Current accounts	-	2.04
In Post office Saving bank account	0.14	0.12
	108.02	91.37

Note: The above are pledged / lodged with various Government Authorities and bank as security / earmarked / margin money.

13. Loans

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(Considered good - Unsecured)		
Loans to employees	19.41	24.55
	19.41	24.55

14. Other Financial Assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
(Considered good - Unsecured, unless stated otherwise)				
Security and other deposits	1,104.77	69.87	8.52	7.32
Renewable Energy Certificates Entitlement	-	-	0.02	9.92
Interest accrued on Investments	0.01	0.01	3.12	-
Claims and Subsidies / Refunds receivable	-	-	395.66	396.92
Other receivables	-	-	0.56	0.69
	1,104.78	69.88	407.88	414.85

15. Current Tax Assets (net)

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance tax and tax deducted / collected at sources	3,361.69	90.22
Less: Provision for taxation	3,127.82	-
	233.87	90.22

Notes to Financial Statements for the year ended 31 March 2025

16. Other Assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
<i>(Considered good - Unsecured, unless stated otherwise)</i>				
Capital Advances	37.60	1,248.90	-	-
Advances other than Capital Advances				
Advances to suppliers				
- Considered good - Unsecured	-	-	656.49	638.41
- Considered doubtful - Unsecured	-	-	57.22	6.13
	-	-	713.71	644.54
Less: Loss allowance	-	-	57.22	6.13
	-	-	656.49	638.41
Other advances				
- Deposits against demand under appeal and / or under dispute	101.06	102.09	-	-
- Balance with Excise and other Government Authorities	-	-	203.02	137.14
	101.06	102.09	203.02	137.14
Prepaid Expenses	26.70	30.24	21.96	14.55
	165.36	1,381.23	881.47	790.10

17. Share Capital

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised:		
2,51,00,000 (31 March 2024: 2,51,00,000) equity shares of ₹10 each	2,510.00	2,510.00
15,00,000 (31 March 2024: 15,00,000) preference shares of ₹100 each	1,500.00	1,500.00
	4,010.00	4,010.00
Issued, subscribed and fully paid-up:		
1,40,91,630 (31 March 2024: 1,40,91,630) equity shares of ₹10 each	1,409.16	1,409.16
	1,409.16	1,409.16

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Equity shares				
At the beginning and at the end of the year	1,40,91,630	1,409.16	1,40,91,630	1,409.16

(b) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares with face value of ₹10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

Notes to Financial Statements for the year ended 31 March 2025

17. Share Capital *Contd.*

(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% of total shares in the class	Number of shares	% of total shares in the class
Equity shares of ₹10 each fully paid up held by				
SIL Investments Limited	16,86,658	11.97%	16,86,658	11.97%
Avadh Sugar & Energy Limited	14,86,154	10.55%	14,86,154	10.55%
New India Retailing & Investment Limited	10,56,490	7.50%	10,56,490	7.50%
Navjeevan Medical Institute	7,83,157	5.56%	7,83,157	5.56%
Yashovardhan Investment & Trading Company Limited	7,17,710	5.09%	7,17,710	5.09%
Hargaon Investment & Trading Company Limited	7,17,358	5.09%	7,17,358	5.09%
Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	7,10,140	5.04%	7,10,140	5.04%

(d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020
Equity shares of ₹10 each fully paid-up issued as Bonus share	-	-	-	-	40,26,180.00

(e) Details of shares held by promoters:

Sr. No.	Promoter Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
As on 31 March 2025						
Equity shares of ₹10 each fully paid up held by						
1	SIL Investments Limited	16,86,658	-	16,86,658	11.97%	-
2	Avadh Sugar & Energy Limited	14,86,154	-	14,86,154	10.55%	-
3	New India Retailing & Investment Limited	10,56,490	-	10,56,490	7.50%	-
4	Yashovardhan Investment & Trading Company Limited	7,17,710	-	7,17,710	5.09%	-
5	Hargaon Investment & Trading Company Limited	7,17,358	-	7,17,358	5.09%	-
6	"Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]"	7,10,140	-	7,10,140	5.04%	-
7	RTM Investment & Trading Company Limited	4,49,659	-	4,49,659	3.19%	-
8	SCM Investment & Trading Company Limited	3,81,561	-	3,81,561	2.71%	-
9	Champaran Marketing Company Limited	2,84,386	-	2,84,386	2.02%	-
10	OSM Investment & Trading Company Limited	2,56,093	-	2,56,093	1.82%	-
11	Mrs. Nandini Nopany	1,84,164	-	1,84,164	1.31%	-
12	Nilgiri Plantations Limited	1,50,458	-	1,50,458	1.07%	-

Notes to Financial Statements for the year ended 31 March 2025

17. Share Capital *Contd.*

(e) Details of shares held by promoters:

Sr. No.	Promoter Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
13	Sidh Enterprises Limited	1,13,948	-	1,13,948	0.81%	-
14	Narkatiaganj Farms Limited	94,210	-	94,210	0.67%	-
15	Ronson Traders Limited	91,046	-	91,046	0.65%	-
16	Rajpur Farms Limited	72,804	-	72,804	0.52%	-
17	Mr. Chandra Shekhar Nopany	37,724	-	37,724	0.26%	-
18	Shree Vihar Properties Limited	34,382	-	34,382	0.24%	-
19	La Monde Trading & Investments Private Limited	27,454	-	27,454	0.19%	-
20	Palash Securities Limited	20,238	-	20,238	0.14%	-
21	Mrs. Urvi Mittal	14,838	-	14,838	0.10%	-
22	Mr. Arihant Vikram Nopany	5,451	-	5,451	0.04%	-
23	Uttam Commercial Limited	2,429	-	2,429	0.02%	-
24	Sonali Commercial Limited	1,799	-	1,799	0.01%	-
25	Pavapuri Trading and Investment Company Limited	1,260	-	1,260	0.01%	-
26	Deepshikha Trading Company Private Limited	68	-	68	0.00%	-
		85,98,482	-	85,98,482	61.02%	-

Sr. No.	Promoter Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
As on 31 March 2024						
Equity shares of ₹10 each fully paid up held by						
1	SIL Investments Limited	16,86,658	-	16,86,658	11.97%	-
2	Avadh Sugar & Energy Limited	14,86,154	-	14,86,154	10.55%	-
3	New India Retailing & Investment Limited	10,56,490	-	10,56,490	7.50%	-
4	Yashovardhan Investment & Trading Company Limited	7,17,710	-	7,17,710	5.09%	-
5	Hargaon Investment & Trading Company Limited	7,17,358	-	7,17,358	5.09%	-
6	"Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]"	7,10,140	-	7,10,140	5.04%	-
7	RTM Investment & Trading Company Limited	4,49,659	-	4,49,659	3.19%	-
8	SCM Investment & Trading Company Limited	3,81,561	-	3,81,561	2.71%	-
9	Champaran Marketing Company Limited	2,84,386	-	2,84,386	2.02%	-
10	OSM Investment & Trading Company Limited	2,56,093	-	2,56,093	1.82%	-
11	Mrs. Nandini Nopany	1,84,164	-	1,84,164	1.31%	-
12	Nilgiri Plantations Limited	1,50,458	-	1,50,458	1.07%	-

Notes to Financial Statements for the year ended 31 March 2025

17. Share Capital *Contd.*

Sr. No.	Promoter Name	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
13	Sidh Enterprises Limited	1,13,948	-	1,13,948	0.81%	-
14	Narkatiaganj Farms Limited	94,210	-	94,210	0.67%	-
15	Ronson Traders Limited	91,046	-	91,046	0.65%	-
16	Rajpur Farms Limited	72,804	-	72,804	0.52%	-
17	Mr. Chandra Shekhar Nopany	37,724	-	37,724	0.26%	-
18	Shree Vihar Properties Limited	34,382	-	34,382	0.24%	-
19	La Monde Trading & Investments Private Limited	27,454	-	27,454	0.19%	-
20	Palash Securities Limited	20,238	-	20,238	0.14%	-
21	Mrs. Urvi Mittal	14,838	-	14,838	0.10%	-
22	Mr. Arihant Vikram Nopany	5,451	-	5,451	0.04%	-
23	Uttam Commercial Limited	2,429	-	2,429	0.02%	-
24	Sonali Commercial Limited	1,799	-	1,799	0.01%	-
25	Pavapuri Trading and Investment Company Limited	1,260	-	1,260	0.01%	-
26	Deepshikha Trading Company Private Limited	68	-	68	0.00%	-
		85,98,482	-	85,98,482	61.02%	-

18. Other Equity

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital Reserve		
Balance at the beginning and at the end of the year	36,897.75	36,897.75
Capital Redemption Reserve		
Balance at the beginning and at the end of the year	747.39	747.39
Retained Earnings		
Balance at the beginning of the year	35,506.46	24,882.36
Profit for the year	10,944.61	11,640.96
Remeasurement loss of defined benefit plans (net of tax)	3.36	(30.45)
Final dividend paid on equity shares	(2,113.75)	(986.41)
Balance at the end of the year	44,340.68	35,506.46
	81,985.82	73,151.60

(a) Dividend on equity shares

The following dividend was declared and paid by the Company during the year:

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
₹15.00 per equity share (31 March 2024: ₹7.00 per equity share) as final dividend	2,113.75	986.41

Notes to Financial Statements for the year ended 31 March 2025

18. Other Equity *Contd.*

After the reporting date, the following dividends were proposed by the board of directors subject to the approval at the annual general meeting; the dividend has not been recognised as liabilities.

Particulars	(₹ in Lakhs)	
	Year Ended 31 March 2025	Year Ended 31 March 2024
Proposed dividend for the year ended 31 March 2025 ₹12.50 per equity share (31 March 2024: ₹15.00 per equity share*)	1,761.45	2,113.75

* includes a special one-time dividend of ₹5.00 per equity share.

19. Borrowings

Particulars	(₹ in Lakhs)	
	Year Ended 31 March 2025	Year Ended 31 March 2024
Non-current Borrowings		
Term Loans (secured)		
From banks -		
Term loans (including Rupee term loans)	19,084.61	5,996.51
Under financial assistance scheme (SEFASM 2018 Central)	3,790.36	6,302.15
	22,874.97	12,298.66
Less: Current portion of Non-current borrowings disclosed in Current Borrowings stated below	5,397.63	5,062.50
	17,477.34	7,236.16
Current Borrowings		
Secured		
Current portion of Non-current borrowings	5,397.63	5,062.50
From banks (repayable on demand)		
Cash credit including working capital demand loan	36,344.54	47,381.25
Unsecured		
Working capital demand loan	11,500.00	4,000.00
	53,242.17	56,443.75

The Company's exposure to interest and liquidity risk is disclosed in Note 43(C).

Nature of Securities and Terms of repayment

(i) Terms and repayment schedule

Particulars	Interest rate / Interest rate range	Maturity	Carrying amount (₹ in lakhs)	
			As at 31 March 2025	As at 31 March 2024
Secured rupee term loan	9.10% p.a.	June 2025	374.83	1,647.71
Secured rupee term loan	8.75% p.a.	July 2029	4,961.81	-
Secured term loan	8.15% to 8.40% p.a.	September 2031	7,664.85	-
Secured term loan	9.10% p.a.	September 2027	3,111.27	4,348.80
Secured term loan	8.00% to 8.25% p.a.	March 2030	2,971.85	-

Notes to Financial Statements for the year ended 31 March 2025

19. Borrowings *Contd.*

Particulars	Interest rate / Interest rate range	Maturity	Carrying amount (₹ in lakhs)	
			As at 31 March 2025	As at 31 March 2024
Secured rupee term loan under financial assistance scheme (SEFASM 2018 Central)	9.10% p.a.	September 2026	3,790.36	6,302.15
Secured cash credit including working capital demand loan	7.10% to 10.20% p.a.	On demand	36,344.54	47,381.25
Unsecured short term loan	7.25% to 7.80% p.a.	On demand	11,500.00	4,000.00
			70,719.51	63,679.91

(ii) Nature of security

- Term loans (including rupee term loans) of **₹22,874.97 lakhs** (31 March 2024: ₹12,298.66 lakhs) are secured by first mortgage / charge created / to be created on entire property, plant and equipment (other than related to farm assets) of the Company, both present and future, ranking pari-passu with banks.
- Term loan of **₹3,790.36 lakhs** (31 March 2024: ₹6,302.15 lakhs) under the scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity (SEFASM 2018 - Central) is entitled for interest subvention from the Government of India upto 6% p.a. or 50% of rate of interest charged by banks as per terms of the scheme.
- Cash credit borrowing including Working capital demand loan (WC DL) of **₹33,844.54 lakhs** (31 March 2024: ₹44,881.25 lakhs) from banks are secured by hypothecation of all current assets of the Company ranking pari-passu amongst the various lenders and also by 3rd charge on all the property, plant and equipment of the Company, both present and future.
- Cash credit borrowing including WC DL of **₹2,500.00 lakhs** (31 March 2024: ₹2,500.00 lakhs) from RBL Bank is secured by subservient charge by way of hypothecation of all current assets and movable property, plant and equipment of the Company, both present and future.

- The Company is filing monthly stock statement to Banks (SBI, ICICI Bank, DCB, HDFC Bank, South Indian Bank, Yes Bank, Axis Bank and RBL Bank) for working capital facilities. The below is summary of reconciliation of quarterly statement filed to the banks and books of accounts :

Quarter ended on	Amount as per books of account (₹ in lakhs)	Amount as reported in the quarterly return / statement (₹ in lakhs)	Amount of difference (₹ in lakhs)
31 March 2025	70,021.58	70,897.20	(875.62)
31 December 2024	40,967.37	36,155.77	4,811.60
30 September 2024	25,521.53	24,833.50	688.03
30 June 2024	51,363.64	51,507.61	(143.97)
31 March 2024	74,970.74	76,776.91	(1,806.17)
31 December 2023	34,560.48	30,177.98	4,382.50
30 September 2023	14,995.07	13,174.16	1,820.91
30 June 2023	36,650.13	36,640.36	9.77

The amount as per books of account represents total inventories of finished goods / semi finished goods, store, chemicals and spare parts, by products etc., whereas, according to the terms and conditions outlined in the loan agreements, the valuation methodology of inventories is different from books of accounts and certain inventory values do not part of stock statement submitted with banks.

Notes to Financial Statements for the year ended 31 March 2025

20. Lease

As Lessee

The Company has lease contracts for various items of buildings (including godowns), vehicles and other equipment used in its operations. The Company's obligations under its lease are secured by lessor's title to the leased assets.

The Company also has certain leases of godowns and vehicles with lease term of twelve months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amount of right-of-use assets (Buildings) (non-cash investing activity) recognised and its movements during the year are disclosed in Note 4.

Lease liabilities is being measured by discounting the lease payments using the incremental borrowing rate i.e. **8.50%** p.a. Movement of the carrying amount of lease liabilities during the year are as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	27.33	39.36
Finance cost accrued during	1.91	2.97
Payment of lease liabilities (including finance cost)	(15.00)	(15.00)
Balance at the end of the year	14.24	27.33
Non-current	-	12.33
Current	14.24	15.00
	14.24	27.33

The maturity analysis of lease liabilities on an undiscounted basis are as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2025	As at 31 March 2024
Less than one year	15.00	15.00
One to two years	-	15.00
	15.00	30.00

The followings are the amounts recognised during the year in profit or loss:

Particulars	(₹ in Lakhs)	
	Year Ended 31 March 2025	Year Ended 31 March 2024
Expenses:		
Interest on lease liabilities [Note 32]	1.91	2.97
Depreciation on right-of-use assets [Note 4]	12.59	12.68
Expenses relating to short-term and low-value leases [Note 34] *	19.68	18.75
	34.18	34.40

* excluding ₹9.81 lakhs (31 March 2024: ₹9.25 lakhs) incurred in relation to farm assets.

There is no significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when due.

Notes to Financial Statements for the year ended 31 March 2025

21. Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises *	61.53	93.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	6,235.09	15,076.94
	6,296.62	15,170.38

* Not overdue in terms of section 15 of MSMED Act 2006.

The Company's exposure to currency and liquidity risk related to trade payable are disclosed in Note 43(C).

(a) The following details relating to Micro enterprises and small enterprises are as under:

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year:		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
Total	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006) along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	133.05	197.10
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

b) Trade payables ageing schedule:

(₹ in Lakhs)

Particulars	Unbilled dues	Not due	Outstanding for following periods from due dates of payment / date of transaction				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2025							
(i) MSME	-	61.53	-	-	-	-	61.53
(ii) Others	237.87	899.59	5,083.40	-	-	6.42	6,227.28
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	7.81	7.81
	237.87	961.12	5,083.40	-	-	14.23	6,296.62
As on 31 March 2024							
(i) MSME	-	93.44	-	-	-	-	93.44
(ii) Others	25.61	7,717.20	6,059.19	1,148.26	-	6.42	14,956.68
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	120.26	120.26
	25.61	7,810.64	6,059.19	1,148.26	-	126.68	15,170.38

Notes to Financial Statements for the year ended 31 March 2025

22. Other Financial Liabilities

(₹ in Lakhs)

Particulars	Current	
	As at 31 March 2025	As at 31 March 2024
Trade and other deposits	152.79	71.00
Interest accrued but not due	125.40	150.52
Payable to employees	519.15	648.09
Liability for capital goods	453.04	10.12
Unclaimed dividend *	47.50	32.33
Unclaimed Fractional Share Pay-out *	0.83	0.84
Other payables	6.58	6.78
	1,305.29	919.68

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

The Company's exposure to liquidity risks related to the above financial liabilities is disclosed in Note 43(C).

23. Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance against Sale of Goods / Property, plant and equipment	314.55	162.36
Statutory dues	498.83	327.73
	813.38	490.09

24. Provisions

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits				
Net defined benefit liability - Gratuity	222.49	244.34	56.89	101.35
Provision for compensated absences	-	-	337.90	239.19
	222.49	244.34	394.79	340.54
Other Provisions				
For litigation, claims and contingencies*	-	-	201.28	89.41
	222.49	244.34	596.07	429.95

* increase is provided during the year.

Defined benefits - Gratuity Plan

The Company has a defined benefit gratuity plan. Every employee who has completed continuously at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The approved gratuity fund of erstwhile companies in respect of transferred business undertakings has been transferred to the Company and which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

Notes to Financial Statements for the year ended 31 March 2025

24. Provisions *Contd.*

Net defined benefit liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of defined benefit obligations	1,612.83	1,678.60
Fair value of plan assets	1,333.45	1,332.91
Net defined benefit liabilities	279.38	345.69

These defined benefit plans expose the Company to actuarial risks, such as interest risk and market (investment) risk.

The Company expects to contribute **₹59.89 lakhs** to Gratuity Fund in the next year.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The following tables analyse present value of defined benefit obligations, fair value of defined plan assets, actuarial gain / (loss) on plan assets, expense recognised in the Statement of Profit and Loss and Other Comprehensive Income, actuarial assumptions and other information:

Reconciliation of the net defined benefit liabilities / (assets):

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Reconciliation of present value of defined benefit obligations		
(a) Balance at the beginning of the year	1,678.60	1,601.60
(b) Service cost	115.27	106.82
(c) Interest cost	120.69	117.87
(d) Benefits paid	(295.62)	(185.31)
(e) Actuarial (gain) / loss on defined benefit obligations:		
- due to change in financial assumptions	44.94	13.66
- due to experience changes	(51.05)	23.96
(f) Balance at the end of the year	1,612.83	1,678.60
(ii) Reconciliation of fair value of plan assets		
(a) Balance at the beginning of the year	1,332.91	1,205.25
(b) Actual return on plan assets	94.20	85.64
(c) Contributions by the employer	201.96	227.33
(d) Benefits paid	(295.62)	(185.31)
(e) Balance at the end of the year	1,333.45	1,332.91
(iii) Actuarial loss on plan assets		
(a) Expected Interest Income	95.83	88.71
(b) Actual return on plan assets	94.20	85.64
(c) Actuarial loss on plan assets	(1.63)	(3.07)
(iv) Expense recognised in Employee benefits expenses		
(a) Service cost	115.27	106.82
(b) Interest cost	120.69	117.87
(c) Interest income	(95.83)	(88.71)
(d) Amount charged to Employee benefits expenses	140.13	135.98

Notes to Financial Statements for the year ended 31 March 2025

24. Provisions *Contd.*

Reconciliation of the net defined benefit liabilities / (assets):

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(v) Remeasurement recognised in Other Comprehensive Income / (Loss)		
(a) Actuarial gain / (loss) on defined benefit obligations	6.11	(37.62)
(b) Actuarial loss on plan assets	(1.63)	(3.07)
(c) Amount recognised in Other Comprehensive Income (Loss)	4.48	(40.69)
(vi) Plan assets		
Plan assets comprise of the following:		
(a) Investments with LIC	100%	100%
(vii) Actuarial assumptions		
(a) Discount rate	6.64%	7.19%
(b) Future salary growth	5.00%	5.00%
(c) Attrition rates	Less than 40 Years - 4.2% 40 Years and above - 1.8%	
(d) Weighted average duration of defined benefit obligation	7 Years	6 Years

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2012-14).

(viii) Method of determining defined benefit obligation

Project Unit Credit (PUC)

(ix) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
(a) Discount rate (0.50% movement)	(40.97)	43.22	(41.58)	39.52
(b) Future salary growth (1% movement)	87.01	(79.90)	76.65	(83.39)
(c) Withdrawal assumption (4% movement)	23.32	(19.87)	27.29	(33.12)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions as shown.

(x) Maturity profile of defined benefit obligations (valued on undiscounted basis)

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Within the next 12 months (next annual reporting period)	56.89	101.35
Between 1 and 2 years	380.72	431.96
Between 2 and 3 years	160.38	178.56
Between 3 and 4 years	176.58	152.28
Between 4 and 5 years	192.12	169.96
Between 5 and 6 years	189.31	176.68
Beyond 6 years	1,285.69	1,339.69
	2,441.69	2,550.48

Notes to Financial Statements for the year ended 31 March 2025

25. Deferred Tax Liabilities (net)

Particulars	As at 31 March 2023	Recognised in profit or loss	Recognised in OCI	As at 31 March 2024	Recognised in profit or loss	Recognised in OCI	As at 31 March 2025
Deferred tax liabilities							
PPE including intangible assets	5,682.89	58.58	-	5,741.47	141.04	-	5,882.51
	5,682.89	58.58	-	5,741.47	141.04	-	5,882.51
Deferred tax assets							
Provisions - employee benefits	153.31	(15.50)	10.24	148.05	4.76	(1.12)	151.69
Provisions - others	23.65	(20.68)	-	2.97	100.82	-	103.79
Deduction allowed on payment / other basis	372.99	340.22	-	713.21	(622.05)	-	91.16
	549.95	304.04	10.24	864.23	(516.47)	(1.12)	346.64
Net deferred tax liabilities / (assets)	5,132.94	(245.46)	(10.24)	4,877.24	657.51	1.12	5,535.87

26. Current Tax Liabilities (net)

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for taxation	-	4,262.70
Less: Advance tax and tax deducted / collected at sources	-	3,555.07
	-	707.63

27. Revenue from Operations

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Sale of Goods		
Finished goods	1,24,555.97	1,05,260.81
Power	2,394.52	3,191.14
Stock-in-trade	864.50	-
By products	934.16	445.40
Others (including Bio-compost)	430.74	544.77
	1,29,179.89	1,09,442.12
Other operating revenue		
Sale of Sugar Export Entitlement	117.90	-
Cane Commission Remission [Note 42]	2,478.42	-
Goods and Service Tax Reimbursement [Note 42]	235.39	110.63
Scrap Sales	216.90	105.28
	3,048.61	215.91
Total revenue from operations	1,32,228.50	1,09,658.03

Notes to Financial Statements for the year ended 31 March 2025

27. Revenue from Operations *Contd.*

Disaggregated revenue information

The disaggregation of the Company's revenue from contracts with customers as under:

(₹ in Lakhs)

Particulars	Segment			Total
	Sugar	Distillery	Co-generation	
Year ended 31 March 2025				
Revenue based on the type of goods sold to customers:				
<i>Finished goods</i>				
- Sugar	95,501.23	-	-	95,501.23
- Spirits	-	29,054.74	-	29,054.74
	95,501.23	29,054.74	-	1,24,555.97
<i>Power</i>	-	-	2,394.52	2,394.52
Trading goods - Manure etc.	864.50	-	-	864.50
By products				
- Bagasse	839.12	-	-	839.12
- Press-mud	95.04	-	-	95.04
	934.16	-	-	934.16
<i>Others (including Bio-compost)</i>	52.03	378.71	-	430.74
	97,351.92	29,433.45	2,394.52	1,29,179.89
Revenue based on the type of customers:				
- Government concerns (including PSUs)	-	25,693.19	1,550.16	27,243.35
- Export (including through third parties)	1,935.88	-	-	1,935.88
- Others	95,416.04	3,740.26	844.36	1,00,000.66
	97,351.92	29,433.45	2,394.52	1,29,179.89

The disaggregation of the Company's revenue from contracts with customers as under:

(₹ in Lakhs)

Particulars	Segment			Total
	Sugar	Distillery	Co-generation	
Year ended 31 March 2024				
Revenue based on the type of goods sold to customers:				
<i>Finished goods</i>				
- Sugar	76,347.63	-	-	76,347.63
- Spirits	-	28,913.18	-	28,913.18
	76,347.63	28,913.18	-	1,05,260.81
<i>Power</i>	-	-	3,191.14	3,191.14
Trading goods - Manure etc.				
By products				
- Bagasse	373.76	-	-	373.76
- Press-mud	71.64	-	-	71.64
	445.40	-	-	445.40
<i>Others (including Bio-compost)</i>	51.35	493.42	-	544.77
	76,844.38	29,406.60	3,191.14	1,09,442.12
Revenue based on the type of customers:				
- Government concerns (including PSUs)	-	28,913.18	3,191.14	32,104.32
- Export (including through third parties)	76,844.38	493.42	-	77,337.80
- Others	76,844.38	29,406.60	3,191.14	1,09,442.12

Notes to Financial Statements for the year ended 31 March 2025

27. Revenue from Operations *Contd.*

The reconciliation of the revenue from contracts with customers and other operating revenue with amount disclosed in the segment information

(₹ in Lakhs)

Particulars	Segment			Total
	Sugar	Distillery	Co-generation	
Year ended 31 March 2025				
Sale of Goods				
- External customers	97,351.92	29,433.45	2,394.52	1,29,179.89
- Inter-segment	18,826.31	41.21	5,985.52	24,853.04
Other Operating Revenue	2,941.68	106.93	-	3,048.61
	1,19,119.91	29,581.59	8,380.04	1,57,081.54
Less: Inter-segment elimination	18,826.31	41.21	5,985.52	24,853.04
Less: Other Operating Revenue	2,941.68	106.93	-	3,048.61
	97,351.92	29,433.45	2,394.52	1,29,179.89
Year ended 31 March 2024				
Sale of Goods				
- External customers	76,844.38	29,406.60	3,191.14	1,09,442.12
- Inter-segment	17,640.99	62.82	5,353.08	23,056.89
Other Operating Revenue	102.30	113.61	-	215.91
	94,587.67	29,583.03	8,544.22	1,32,714.92
Less: Inter-segment elimination	17,640.99	62.82	5,353.08	23,056.89
Less: Other Operating Revenue	102.30	113.61	-	215.91
	76,844.38	29,406.60	3,191.14	1,09,442.12

- a) The Company presented disaggregated revenue based on the type of goods sold to customers and type of customers. Further, the Company's sales are made within India including export through third party and revenue is recognised for goods transferred at a point in time. The Company's performance obligations are satisfied on delivery of goods to the customer. Delivery of goods completes when the goods have been dispatched or delivered to the specific location, of the customer, as the case may be.

The Company does not have any contracts where the period between the transfer of the promised goods to the customer and payments by the customer exceeds one year and hence, there are no significant financing component included in such contracts.

The Company believes that the above disaggregation depicts the nature, amount, timing and uncertainty of revenues and cash flows effected by industry, market and other economic factors.

- b) For contract balances i.e. trade receivables [Note 10] and advance from customers [Note 23].
- c) The amount of **₹155.88 lakhs** included in contract liabilities [Note 23] at 31 March 2024 has been recognised as revenue during the year ended 31 March 2025 (31 March 2024: ₹202.54 lakhs).
- d) The amount of revenue from contracts with customers recognised in the statement of profit and loss is the contracted price.

Notes to Financial Statements for the year ended 31 March 2025

28. Other Income

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Interest Income on assets measured at amortised cost:		
- Loans and deposits	35.86	36.28
- Refund from income tax department	5.78	-
Insurance and other claims	21.45	22.70
Gain on Sale / Discard of Property, Plant & Equipment (net)	59.32	-
Unspent liabilities, Provisions no longer required and Unclaimed balances written back	125.03	43.17
Change in fair value of biological assets other than bearer plants [Note 9]	25.94	34.59
Miscellaneous income	8.78	20.27
	282.16	157.01

29. Cost of Raw Materials Consumed

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Inventory of materials at the beginning of the year	2,351.80	4,500.29
Add: Purchases and procurement expenses *	85,445.92	88,377.64
	87,797.72	92,877.93
Less: Inventory of materials at the end of the year	2,821.98	2,351.80
	84,975.74	90,526.13

* Net of Government grants [Note 42].

30. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Inventories at the end of the year		
Finished goods	59,779.05	65,568.08
Stock-in-trade	133.30	-
By Products	5,748.68	4,368.11
Work-in-progress	174.25	563.56
Bio-compost	85.03	99.92
Scrap	18.60	3.93
	65,938.91	70,603.60
Inventories at the beginning of the year		
Finished goods	65,568.08	43,778.02
By Products	4,368.11	5,997.66
Work-in-progress	563.56	388.05
Bio-compost	99.92	112.41
Scrap	3.93	2.77
	70,603.60	50,278.91
	4,664.69	(20,324.69)

Notes to Financial Statements for the year ended 31 March 2025

31. Employee benefits expense

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Salaries, wages and bonus	5,931.82	5,527.94
Contribution to provident and other funds	416.54	426.31
Expenses related to post-employment defined benefit plans* [Note 24]	139.62	135.81
Staff welfare expenses	203.60	181.24
	6,691.58	6,271.30

* excluding provision towards liability of ₹0.51 lakhs (31 March 2024: ₹0.17 lakhs) in relation to biological assets other than bearer plants.

Defined contribution plans

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Contribution to Provident / Pension Funds	409.16	419.61
Contribution to Superannuation Fund	7.38	6.70
	416.54	426.31

32. Finance costs

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Interest expense on financial liabilities measured at amortised cost *	3,818.32	3,201.87
Interest on lease liabilities [Note 20]	1.91	2.97
Interest on income tax	26.16	56.90
	3,846.39	3,261.74

* net of Interest capitalised [Note 5] and Government grants [Note 42].

33. Depreciation and amortization expense

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Depreciation of property, plant and equipment * [Note 4]	2,738.20	2,538.45
Amortisation of intangible assets [Note 6]	3.89	4.09
	2,742.09	2,542.54

* excluding ₹17.42 lakhs (31 March 2024: ₹13.82 lakhs) in relation to farm assets.

34. Other expenses

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Consumption of stores and spares	1,436.98	1,612.64
Packing materials	990.84	1,376.89
Power and fuel	1,828.25	1,015.36
Repairs to:		
- Buildings	275.82	316.95
- Machinery	3,425.78	3,296.89
- Others	72.89	53.69

Notes to Financial Statements for the year ended 31 March 2025

34. Other expenses *Contd.*

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025		Year Ended 31 March 2024	
Rent [Note 20]		19.68		18.75
Rates and taxes		59.87		63.11
Insurance		217.49		169.93
Payment to auditors [refer Note (a) below]		38.02		37.90
Payment to cost auditors		1.25		1.25
Commission on sales		424.88		300.47
Freight and forwarding charges		2,615.14		2,012.34
Charity and donations *		212.17		76.28
Loss allowance on advances		400.59		2.99
Bad debts, irrecoverable claims and advances written off	172.07		86.52	
Less: Adjusted against provisions	-	172.07	85.14	1.38
Loss on sale / discard of Property, Plant and Equipment (net)		-		38.58
Corporate Social Responsibility expenses [refer Note (b) below]		212.63		130.77
Director's commission		103.23		90.00
Director's sitting fees		22.80		22.00
Miscellaneous expenses		1,440.35		1,240.61
		13,970.73		11,878.78

* includes contribution of ₹200.00 lakhs (31 March 2024: Nil) to Samaj Electoral Trust Association.

(a) Payment to auditors

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
As Auditors		
- Statutory audit	18.50	18.50
- Tax audit	4.50	4.50
- Limited review of quarterly results	10.50	10.50
In other capacity		
- For certificates and other services	1.50	1.50
Reimbursement of expenses	3.02	2.90
	38.02	37.90

(b) Corporate Social Responsibility (CSR) expenses

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
(i) Gross amount required to be spent by the Company during the year	203.97	127.63
(ii) Amount approved by the Board to be spent during the year	210.00	130.00
(iii) Amount spent during the year on:		
(A) Construction / acquisition of any asset		
- In Cash	-	-
- Yet to be paid in cash	-	-
Total	-	-

Notes to Financial Statements for the year ended 31 March 2025

34. Other expenses *Contd.*

(b) Corporate Social Responsibility (CSR) expenses

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
(B) On purpose other than (A) above		
- In Cash	212.63	130.77
- Yet to be paid in cash	-	-
Total	212.63	130.77
(iv) Surplus at the end of the year (not recognised as asset)	8.66	3.14
(v) Total of previous years surplus	17.06	13.92
(vi) Reason for shortfall, if any	Not Applicable	
(vii) Nature of CSR Activities		
(A) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	55.83	41.91
(B) Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	38.96	68.40
(C) 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	17.18	16.41
(D) Rural Development Projects.	93.50	-
(E) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports.	7.16	4.05
	212.63	130.77
(viii) The Movements in the provision for CSR expenditure during the year		
Provision for CSR expenditure at the beginning and at the end of the year	-	-

35. Tax expense

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025		Year Ended 31 March 2024	
Current tax				
Provision of tax for the current year	3,127.82		4,262.70	
Adjustments for tax related to earlier years	48.07	3,175.89	1.04	4,263.74
Deferred tax				
Attributable to origination and reversal of temporary differences		657.51		(245.46)
		3,833.40		4,018.28

Notes to Financial Statements for the year ended 31 March 2025

35. Tax expense *Contd.*

Reconciliation of effective tax

(₹ in Lakhs)

Particulars	Year Ended 31 March 2025		Year Ended 31 March 2024	
Profit before tax		14,778.01		15,659.24
Tax using the Company's domestic tax rate				
Tax effect of:	25.168%	3,719.33	25.168%	3,941.12
- Permanent differences		107.11		51.21
- Others (including related to earlier years)		6.96		25.95
		3,833.40		4,018.28

36. Earnings per equity share (EPS)

Basic and Diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
(iii) Weighted average number of equity shares for the year	10,944.61	11,640.96
(iii) At the beginning and at the end of the year At the beginning and at the end of the year	1,40,91,630	1,40,91,630
(iii) Earning per equity share [Nominal value of share ₹10] [(i)/(ii)]	77.67	82.61
Basic and Diluted (₹)		

There is no dilutive potential equity share.

37. Capital and Other Commitments

Estimated amount of contracts remaining to be executed and not provided for (net of advances) **₹1,790.56 lakhs** (31 March 2024: ₹8,514.19 lakhs) including **₹1,603.91 lakhs** (31 March 2024: ₹8,312.07 lakhs) related to Property, Plant and Equipment.

38. Contingent Liabilities (to the extent not provided for)

(a) Claims against the Company not acknowledged as debt

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Excise duty and service tax	534.66	592.75
(ii) Sales and entry tax	92.46	92.46
(iii) Goods and service tax	205.27	108.16
(iv) Duty under state acts	159.39	321.41
(V) Others	176.93	177.34
Total *	1,168.71	1,292.12

* Notes:

- Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments / decisions pending with various forums / authorities.
- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

- (b) The land ceiling matter under Bihar Land Reforms (Fixation of Ceiling, Area and Acquisition of Surplus Land) Act, 1961 for acquisition of agriculture land by the Government is pending before the appropriate adjudicating authorities.

Notes to Financial Statements for the year ended 31 March 2025

- 39.** Title deeds of freehold land of ₹7.83 lakhs (31 March 2024: ₹7.83 lakhs) including land related to farm assets of ₹0.91 lakhs (31 March 2024: ₹0.91 lakhs), which is not part- of security offered to lenders, are not in the name of the Company, details of which are given below:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative # of promoter * / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
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As on 31 March 2025:

PPE	Freehold Land	7.83	New Swadeshi Sugar Mills (The erstwhile company)	No	1 April 2015	Mutation in the name of the Company is pending.
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As on 31 March 2024:

PPE	Freehold Land	7.83	New Swadeshi Sugar Mills (The erstwhile company)	No	1 April 2015	Mutation in the name of the Company is pending.
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Relative here means relative as defined in the Companies Act, 2013.

* Promoter here means promoter as defined in the Companies Act, 2013.

40. Operating Segments

A. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments and its operating results are reviewed regularly by the Company's Whole-Time Director (WTD) as the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has three reportable segments as described below, which are the Company's strategic business:

Reportable segments	Operations
Sugar	Manufacture and sale of sugar, molasses and bagasse
Distillery	Manufacture and sale of denatured spirits (including ethanol) and bio-compost
Co-generation	Generation and transmission of power

B. Information about reportable segments

Information related to each reportable segment is set-out below. The Company's WTD reviews the results of each segment on a quarterly basis. The Company's WTD uses Earning Before Interest and Tax (EBITA) to assess the performance of the operating segments. Segment is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within same industries. Inter-segment pricing is determined on an arm's length basis.

Notes to Financial Statements for the year ended 31 March 2025

40. Operating Segments *Contd.*

(₹ in lakhs)

Particulars	Reportable segments			Total
	Sugar	Distillery	Co-generation	
Year ended 31 March 2025				
Revenue:				
Segment revenue	1,19,119.91	29,581.59	8,380.04	1,57,081.54
Less: Inter-segment revenue	18,826.31	41.21	5,985.52	24,853.04
Total revenue from operations	1,00,293.60	29,540.38	2,394.52	1,32,228.50
Segment profit before income tax	11,419.28	6,003.90	2,178.47	19,601.65
Finance costs				3,846.39
Unallocable expenses (net of unallocable income)				977.25
Profit before tax				14,778.01

(₹ in lakhs)

Particulars	Reportable segments			Total
	Sugar	Distillery	Co-generation	
As at 31 March 2025				
Segment assets	1,24,715.09	36,676.19	6,594.73	1,67,986.01
Unallocated assets				912.44
Total assets				1,68,898.45
Segment liabilities	7,832.98	939.19	295.60	9,067.77
Unallocated liabilities				76,435.70
Total liabilities				85,503.47
Year ended 31 March 2025				
Other segment information				
Capital expenditure				
- Property, Plant and Equipment	13,342.69	3,374.66	173.24	16,890.59
- Intangible assets	2.70	-	-	2.70
Depreciation	1,642.76	821.89	273.55	2,738.20
Amortisation	3.89	-	-	3.89
Year ended 31 March 2024				
Revenue:				
Segment revenue	94,587.67	29,583.04	8,544.21	1,32,714.92
Less: Inter-segment revenue	17,640.99	62.82	5,353.08	23,056.89
Total revenue from operations	76,946.68	29,520.22	3,191.13	1,09,658.03
Segment profit before income tax	8,899.51	7,318.44	3,395.72	19,613.67
Finance costs				3,261.74
Unallocable expenses (net of unallocable income)				692.69
Profit before tax				15,659.24
As at 31 March 2024				
Segment assets	1,18,373.13	34,948.53	7,251.92	1,60,573.58

Notes to Financial Statements for the year ended 31 March 2025

40. Operating Segments *Contd.*

(₹ in lakhs)

Particulars	Reportable segments			Total
	Sugar	Distillery	Co-generation	
Unallocated assets				533.73
Total assets				1,61,107.31
Segment liabilities	16,202.96	761.03	114.99	17,078.98
Unallocated liabilities				69,467.57
Total liabilities				86,546.55
Year ended 31 March 2024				
Other segment information				
Capital expenditure				
- Property, Plant and Equipment	1,450.38	1,748.61	285.36	3,484.35
Depreciation	1,463.41	814.83	260.21	2,538.45
Amortisation	4.09	-	-	4.09

C. Geographical information

The Company primarily operates in India only and the analysis of geographical segments demarcated into its Indian and Overseas Operations are as under:

(₹ in lakhs)

Particulars	Year ended 31 March 2025			Year ended 31 March 2024		
	Reportable segments		Total	Reportable segments		Total
	Indian	Overseas		Indian	Overseas	
Revenue:						
Sales (including other operating revenue) to external customers	1,30,292.62	1,935.88	1,32,228.50	1,09,658.03	-	1,09,658.03
Segment assets	1,67,188.77	797.24	1,67,986.01	1,60,573.58	-	1,60,573.58
Segment liabilities	9,067.77	-	9,067.77	17,078.98	-	17,078.98

The Company has common property, plant and equipment for producing goods for Indian and Overseas markets. Hence, no separate figures for property, plant and equipment / additions to property, plant and equipment / depreciation and amortisation on property, plant and equipment have been furnished.

D. Major customer

One (31 March 2024: One) customer contributed **10.55%** (31 March 2024: 15.47%) of the total revenue of the Company.

41. Related Party Disclosures

In accordance with the requirements of Indian Accounting Standard (Ind-AS) 24 "Related Party Disclosures", names of the related parties, related party relationships, transactions and outstanding balances, where control exist and with whom transactions have been taken placed during the reported periods are:

Notes to Financial Statements for the year ended 31 March 2025

41. Related Party Disclosures *Contd.*

A. Names of related parties and related party relationship

Related parties with whom transactions have taken place during the year

Key management personnel	
Mr. Chandra Shekhar Nopany	– Chairman / Non-Executive Director
Mr. Padam Kumar Khaitan	– Non-Executive Independent Director
Mr. Yashwant Kumar Daga	– Non-Executive Independent Director
Mr. Ishwari Prosad Singh Roy	– Non-Executive Independent Director
Mr. Raj Kumar Bagri	– Non-Executive Independent Director
Ms. Shashi Sharma	– Non-Executive Independent Director
Mr. Rajan Arvind Dalal	– Non-Executive Director w.e.f. 14 May 2024
Mr. Chandra Mohan	– Whole-Time Director
Mr. Manoj Prasad	– Chief Financial Officer w.e.f. 14 August 2024
Mr. Sudarshan Bajaj	– Chief Financial Officer upto 31 July 2024
Mr. Subramanian Sathyamurthy	– Company Secretary
Mrs. Nandini Nopany (Relatives of key management personnel)	– Mother of Mr. Chandra Shekhar Nopany

B. The following transactions were carried out with related parties in the ordinary course of business

a. Dividend / Director's sitting fees / commission

(₹ in lakhs)

Key management personnel	Year ended 31 March	Dividend on Equity Shares	Director's sitting fees	Director's commission	Amount owed to related parties
Mr. Chandra Shekhar Nopany	2025	5.66	2.20	15.00	15.00
	2024	2.64	2.80	15.00	6.75
Mr. Padam Kumar Khaitan	2025	-	3.20	15.00	15.00
	2024	-	4.00	15.00	6.75
Mr. Yashwant Kumar Daga	2025	-	4.40	15.00	15.00
	2024	-	4.40	15.00	6.75
Mr. Ishwari Prosad Singh Roy	2025	-	3.60	15.00	15.00
	2024	-	3.60	15.00	6.75
Mr. Raj Kumar Bagri	2025	-	3.80	15.00	15.00
	2024	-	4.20	15.00	6.75
Ms. Shashi Sharma	2025	-	3.40	15.00	15.00
	2024	-	3.00	15.00	6.75
Mr. Rajan Arvind Dalal	2025	-	2.20	13.23	13.23
	2024	-	-	-	-
Mrs. Nandini Nopany	2025	27.62	-	-	-
Relatives of key management personnel	2024	12.89	-	-	-

Notes to Financial Statements for the year ended 31 March 2025

41. Related Party Disclosures *Contd.*

b. Remuneration to key managerial personnel

(i) Short term employee benefits

₹ in Lakhs)

Key management personnel	Year ended 31 March	Dividend on Equity Shares	Director's commission	Amount owed to related parties
Mr. Chandra Mohan *	2025	150.47	-	5.28
	2024	138.67	-	7.24
Mr. Manoj Prasad *	2025	22.04	-	1.04
	2024	-	-	-
Mr. Sudarshan Bajaj	2025	10.36	-	-
	2024	30.43	-	-
Mr. Subramanian Sathyamurthy	2025	35.20	-	-
	2024	32.59	-	-

* excluding ₹17.46 lakhs (31 March 2024: ₹17.47 lakhs) value of perquisites determined under the provisions of Income Tax Act, 1961.

(ii) Post employment benefits

Post employment benefits liabilities, based on actuarial valuation, to key management personnel aggregating to ₹70.92 lakhs (31 March 2024: ₹54.11 lakhs).

C. Details of loans, investments and guarantee covered under Section 186(4) of the Companies Act, 2013

The Company has neither given any loan nor has advanced any amount either during the year ended 31 March 2025 or year ended 31 March 2024.

D. Terms and conditions of transactions with related parties

- The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- The amounts outstanding are unsecured and will be settled in cash and cash equivalent. Neither guarantees have been given nor received.
- For the year ended 31 March 2025, the Company has not recorded any impairment of receivables relating to amounts owed by a related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.
- The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

42. Government Grants

The Company is eligible to receive various government grants by way of goods and service tax reimbursement, reimbursement of stamp duty / registration fees, capital subsidy on property, plant and equipment and interest subvention / grant on certain term loans. Accordingly, the Company has recognised these government grants in the following manner:

(₹ in Lakhs)

Sr. No.	Particulars	Treatment in Financial Statements	Year Ended 31 March 2025	Year Ended 31 March 2024
	Revenue related Government Grants:			
(i)	Cane commission remission [Note (a) below]	Disclosed in "Revenue from Operations" in Note 27	2,478.42	-
		Deducted from "Cost of Materials Consumed" in Note 29	1,272.43	-

Notes to Financial Statements for the year ended 31 March 2025

42. Government Grants *Contd.*

(₹ in Lakhs)

Sr. No.	Particulars	Treatment in Financial Statements	Year Ended 31 March 2025	Year Ended 31 March 2024
(ii)	Goods and Service Tax Reimbursement [Note (b) below]	Disclosed in "Revenue from Operations" in Note 27	235.39	110.63
(iii)	Interest Subvention / grant on term loans [Note (c) below]	Deducted from "Finance costs" in Note 32	194.61	297.42
	Capital Subsidy:			
(iv)	Capital Subsidy on Property, plant and equipment [Note (b) below]	Deducted from "Plant and Equipment" in Note 4	-	477.92

- (a) On 25 February 2025, the Government of Bihar notified a reduction in the rate of cane commission to Zonal Development Council from 1.80% to 0.20% of cane price for the sugar season 2022-23, 2023-24 and 2024-25. Based on this notification, the reduction in cane commission liabilities provided till 31 March 2024 is reversed and accounted for as "Cane Commission Remission" during the year. The reduction in cane commission applicable on cane purchased during the year has been netted with the Cost of Raw Material Consumed.
- (b) The State Government of Bihar under Industrial Investment Promotion Policy, 2014 and 2016 had announced various subsidies / incentives on industrial capital investment in Bihar. During the year, the Company has received **₹235.39 lakhs** (31 March 2024: ₹110.63 lakhs) and **₹ Nil** (31 March 2024: ₹477.92 lakhs) as Goods and Service Tax Reimbursement and Capital Subsidy on Property, plant and equipment respectively.
- (c) The Company has obtained certain term loans from banks under financial assistance schemes (SEFASM 2018 - Central). The difference between the fair value of the loans based on prevailing market interest rates and interest paid on such loans has been recognised in the Statement of Profit and Loss by netting with the related finance cost.

43. Financial instruments - fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

(₹ in lakhs)

Particulars	Carrying amount				Fair value
	FVTPL	FVOCI	Amortised cost	Total carrying amount	
As at 31 March 2025					
Financial assets not measured at fair value					
Investment in Government Securities	-	-	0.66	0.66	0.66
Trade receivables	-	-	2,234.31	2,234.31	2,234.31
Cash and cash equivalents	-	-	11.37	11.37	11.37
Other bank balances	-	-	108.02	108.02	108.02
Loans	-	-	19.41	19.41	19.41
Other financial assets	-	-	1,512.66	1,512.66	1,512.66
	-	-	3,886.43	3,886.43	3,886.43
Financial liabilities not measured at fair value					
Borrowings *	-	-	70,719.51	70,719.51	70,719.51
Trade payables	-	-	6,296.62	6,296.62	6,296.62
Other financial liabilities	-	-	1,305.29	1,305.29	1,305.29
	-	-	78,321.42	78,321.42	78,321.42

Notes to Financial Statements for the year ended 31 March 2025

43. Financial instruments - fair values and risk management *Contd.*

(₹ in lakhs)

Particulars	Carrying amount				Fair value
	FVTPL	FVOCI	Amortised cost	Total carrying amount	
As at 31 March 2024					
Financial assets not measured at fair value					
Investment in Government Securities	-	-	0.66	0.66	0.66
Trade receivables	-	-	3,514.83	3,514.83	3,514.83
Cash and cash equivalents	-	-	15.66	15.66	15.66
Other bank balances	-	-	91.37	91.37	91.37
Loans	-	-	24.55	24.55	24.55
Other financial assets	-	-	484.73	484.73	484.73
	-	-	4,131.80	4,131.80	4,131.80
Financial liabilities not measured at fair value					
Borrowings *	-	-	63,679.91	63,679.91	63,679.91
Trade payables	-	-	15,170.38	15,170.38	15,170.38
Other financial liabilities	-	-	919.68	919.68	919.68
	-	-	79,769.97	79,769.97	79,769.97

* measured at level 2.

The management assessed that fair values of trade receivables, cash and cash equivalent, other bank balances, trade payables, investment in Government securities, loans and other financial assets and liabilities approximate their carrying amounts.

B. Measurement of fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

Valuation technique level 2 - Borrowings

Discounted cash flows: The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Company's principal financial liabilities includes borrowings, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents, other bank balances, investments, loans and other financial assets that derive directly from its operations.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's Risk Management Committee monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Notes to Financial Statements for the year ended 31 March 2025

43. Financial instruments - fair values and risk management *Contd.*

The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables	Case to case basis	Credit limit and credit worthiness monitoring, credit based approval process
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities
Market risk			
Interest rate risk	Long term borrowings at variable rates	Sensitivity analysis Interest rate movements	Fund management
Regulatory risk	Commercial traction	Impact of policies	Monitoring of Policies and assessing impact
Commodity price risk	Commercial traction	Cash flow forecasting Sensitivity analysis	Business diversification Inventory management

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and loans. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade receivables, Loans, Claims and Subsidies / Refunds and Other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry also has an influence on credit risk assessment. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers. Outstanding receivables and the credit worthiness of its counter parties are periodically monitored and taken up on case to case basis. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment of trade receivable on case to case basis and has accordingly created loss allowance on trade receivables.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. The Company evaluates the concentration of risk with respect to trade receivables as low, as the Company sugar sales are mostly on cash. Power and Ethanol are sold to Government entities, thereby the credit default risk is significantly mitigated.

Notes to Financial Statements for the year ended 31 March 2025

43. Financial instruments - fair values and risk management *Contd.*

The Company's exposure to credit risk for trade receivables, loans, claims and subsidies / refunds and other receivables and by type of counterparty and loss allowances are as follows.

Particulars	As at 31 March 2025			As at 31 March 2024		
	Amount	Loss allowance	Net Amount	Amount	Loss allowance	Net Amount
Trade Receivables						
Government concerns (including government undertakings)	1,661.16	237.63	1,423.53	3,481.74	-	3,481.74
Others	816.46	5.68	810.78	38.77	5.68	33.09
	2,477.62	243.31	2,234.31	3,520.51	5.68	3,514.83
Loans						
Government concerns (including government undertakings)	-	-	-	-	-	-
Others	19.41	-	19.41	24.55	-	24.55
	19.41	-	19.41	24.55	-	24.55
Claims and Subsidies / Refunds and Other Receivables						
Government concerns (including government undertakings)	396.22	-	396.22	397.61	-	397.61
Others	-	-	-	-	-	-
	396.22	-	396.22	397.61	-	397.61

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

Movement of loss allowance in respect of trade receivables, loans, claims and subsidies / refunds and other receivables:

Particulars	Year Ended	
	31 March 2025	31 March 2024
Balance at the beginning of the year	5.68	90.82
Net remeasurement of loss allowance [Note 34]	237.63	(85.14)
Balance at the end of the year	243.31	5.68

The Company's management also pursue all legal option for recovery of dues, wherever necessary based on its internal assessment.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Processes and policies related to such risks are

Notes to Financial Statements for the year ended 31 March 2025

43. Financial instruments - fair values and risk management *Contd.*

overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

As disclosed in Note 19, the Company has secured bank loans that contains covenant. Any future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. The covenant is monitored on a regular basis by the treasury department and regularly reported to management to ensure compliance with the agreement.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Exposure to liquidity risks

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in lakhs)						
Particulars	Carrying amount	Total	Less than 1 years	1 to 2 years	2 to 5 years	More than 5 years
As at 31 March 2025						
Secured term loan from banks and others*	22,874.97	27,841.10	7,183.83	7,058.39	11,345.13	2,253.75
Cash credit including WCDL	36,344.54	36,344.54	36,344.54	-	-	-
Unsecured short term loan from a bank	11,500.00	11,500.00	11,500.00	-	-	-
Lease Liabilities*	14.24	15.00	15.00	-	-	-
Trade payables	6,296.62	6,296.62	6,296.62	-	-	-
Other financial liabilities	1,305.29	1,305.29	1,305.29	-	-	-
	78,335.66	83,302.55	62,645.28	7,058.39	11,345.13	2,253.75
As at 31 March 2024						
Secured term loan from banks and others*	12,298.66	14,056.69	6,052.96	4,691.27	3,312.46	-
Cash credit including WCDL	47,381.25	47,381.25	47,381.25	-	-	-
Unsecured short term loan from a bank	4,000.00	4,000.00	4,000.00	-	-	-
Lease Liabilities*	27.33	30.00	15.00	15.00	-	-
Trade payables	15,170.38	15,170.38	15,170.38	-	-	-
Other financial liabilities	919.68	919.68	919.68	-	-	-
	79,797.30	81,558.00	73,539.27	4,706.27	3,312.46	-

* including estimated interest.

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, regulatory changes, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

Foreign currency risks

All transactions of the Company are in Indian currency, consequently Company is not exposed to foreign currency risk. The Company has no outstanding foreign currency exposure or related derivative contract.

Interest rate risk

Notes to Financial Statements for the year ended 31 March 2025

43. Financial instruments - fair values and risk management *Contd.*

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 exposure to the risk of changes in market interest rates relates primarily to the Company's long term and short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

Exposure to interest rate risks

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed rate instruments		
Financial assets	59.55	56.04
Financial liabilities	84.24	97.33
Variable rate instruments		
Financial liabilities	70,719.51	63,679.91

Cash flow sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

A reasonably possible change of 50 basis points in interest rate at the reporting dates would have increased or decreased equity and profit or loss by the amounts shown below:

(₹ in lakhs)

Particulars	Profit or loss before tax		Equity, net of tax	
	Increase	Decrease	Increase	Decrease
31 March 2025				
Variable rate instruments	(353.60)	353.60	(230.04)	230.04
31 March 2024				
Variable rate instruments	(318.40)	318.40	(207.14)	207.14

Regulatory and Commodity price risk

Sugar industry, being cyclical in nature, is regulated by both Central Government as well as State Government policies. The Company is exposed to the risk of price fluctuations of its raw material (Sugarcane) as well as its finished goods (Sugar). To counter the raw material risk, the Company worked with development of various cane varieties with the objective to moderate the raw material cost and increase product functionality. The risk towards finished goods (Sugar) has been moderated through the various schemes of the Central Government including but not limited to introduction of Minimum Support Price (MSP), creation of buffer stock and export of excess inventory. The Company has further mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilising its by-products.

44. Capital management

Notes to Financial Statements for the year ended 31 March 2025

44. Capital management *Contd.*

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to:

- (a) to maximise shareholders value and provide benefits to other stakeholders, and
- (b) maintain an optimal capital structure to reduce the cost of capital.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is disclosed in Note 45.

45. Ratio Analysis and its elements

Ratio	Numerator	Denominator	Year Ended 31 March 2025	Year Ended 31 March 2024	Change (%)
Current Ratio	Current Assets	Current Liabilities	1.19	1.08	10.20%
Debt-Equity Ratio	Total Debts (Borrowings)	Shareholder's Equity	0.85	0.85	(0.71%)
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses / (income) + Interest	Debt service = Interest & Lease Payments + Principal Repayments	2.06	1.76	17.12%
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.14	0.17	(17.56%)
Inventory Turnover Ratio	Cost of goods sold = Cost of raw material consumed + change in inventories of finished goods and work-in-progress	Average Inventories of finished goods and work-in-progress	1.31	1.16	13.05%
Trade Receivable Turnover Ratio	Total Sales	Average Trade Receivable	45.06	31.45	43.28%
					[Explained in Note (a) below]
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payable	7.96	6.85	16.19%
Net Capital Turnover Ratio	Net Sales = Total Sales - Sales Return	Working Capital = Current Assets - Current Liabilities	11.01	18.72	(41.18%)
					[Explained in Note (b) below]

Notes to Financial Statements for the year ended 31 March 2025

45. Ratio Analysis and its elements

Ratio	Numerator	Denominator	Year Ended 31 March 2025	Year Ended 31 March 2024	Change (%)
Net Profit Ratio	Net Profits after taxes	Net Sales = Total Sales - Sales Return	0.08	0.11	(20.40%)
Return on Capital Employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.12	0.13	(11.76%)

Notes:

- (a) Change in Trade Receivable Turnover Ratio is 43.28% as compared to the preceding year due to decrease in average trade receivable.
- (b) Change in Net Capital Turnover Ratio is 41.18% as compared to the preceding year due to increase in average working capital.

46. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47. Recent accounting pronouncement

There are no standards that are notified and yet to be effective as on the date.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors

Chandra Mohan

Whole-time Director

DIN: 07760264

Chandra Shekhar Nopany

Chairman

DIN: 00014587

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

Subramanian Sathyamurthy

Company Secretary

Manoj Prasad

Chief Financial Officer

Place: Kolkata

Date: 13 May 2025



CIN L15122UP2015PLC069632

Registered Office: P.O. Hargaon, Dist. Sitapur (U.P.), Pin – 261 121 Email: magadhsugar@birlasugar.org
Website: www.magadhsugar.com; Phone (05862) 256220; Fax (05862) 256225

Notice

NOTICE is hereby given that the **Eleventh Annual General Meeting of MAGADH SUGAR & ENERGY LIMITED** will be held on **Saturday, August 2, 2025 at 11.00 a.m.** through **Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2025 and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on the Equity Shares for the financial year ended 31st March, 2025.
3. To appoint a Director in place of Mr. Chandra Shekhar Nopany (DIN: 00014587), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. 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 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the payment of remuneration of ₹1,37,500/- (Rupees One Lakh Thirty Seven Thousand Five Hundred Only) (apart from reimbursement of out of pocket expenses and applicable taxes) to Cost Auditor, M/s D Radhakrishnan & Co., Cost Accountants for conducting the audit of the cost records of the Company for the year ending 31st March, 2026, as approved by the Board of Directors on the recommendation of the Audit Committee, be and is hereby ratified."

5. 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, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or

re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s. Vinod Kothari & Co., Company Secretaries (Firm Registration No. P1996WB042300) as the Secretarial Auditor of the Company period of 5 (five) years, commencing on 1st April, 2025, until 31st March, 2030, to conduct a Secretarial Audit of the Company and to furnish the Secretarial Audit Report;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as determined by the Audit Committee in consultation with the said Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.

6. 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 Sections 152, 160, 161 and other applicable provisions of the Companies Act, 2013 (the Act) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Pankaj Singh (DIN: 11090613) who was appointed as an Additional Director with effect from 14th May, 2025 at the meeting of the Board held on 13th May, 2025, based on the recommendation of the Nomination and Remuneration Committee, and who is eligible for appointment as a 'Director', and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT any one Director or Company Secretary of the Company be and is hereby authorized to file necessary forms with the Registrar of Companies in this regard."

7. 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 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded to the appointment of Mr. Pankaj Singh (DIN 11090613) as an Executive Director designated as Whole-time Director of the Company for a period of 3 (three) years with effect from 14th May, 2025, as recommended by Nomination and Remuneration Committee and approved by the Board of Directors and on a remuneration and such other terms and conditions as set out in the Explanatory Statement annexed to the Notice of this Annual General Meeting;

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorized to alter and / or vary the terms and conditions of the said appointment and / or enhance, enlarge, alter or vary the scope and quantum of remuneration,

perquisites, benefits and amenities payable to Mr. Pankaj Singh, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 (three) years from the date of appointment, as may be agreed to between the Board and Mr. Pankaj Singh which shall be in accordance with the provisions of Schedule V and other applicable provisions of the Act and prescribed rules made thereunder, for the time being in force, subject to necessary sanctions and approvals, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto."

By Order of the Board

Place : Kolkata
Dated :13th May, 2025

S Subramanian
Company Secretary
FCS – 4974

NOTES:

1. Pursuant to General Circular No.09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs (MCA), Circular dated October 3, 2024 issued by SEBI and such other applicable circulars issued by MCA and SEBI (the Circulars), the Company is convening the 11th Annual General Meeting (AGM) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue.

2. In compliance with the provisions of the Companies Act, 2013 (the Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), MCA Circulars and SEBI Circulars, the 11th AGM of the Company shall be conducted through VC/OAVM. National Securities Depository Limited (NSDL) will be providing facilities in respect of:

- (a) voting through remote e-voting;
- (b) participation in the AGM through VC/OAVM facility;
- (c) e-voting during the AGM.

The registered office of the Company shall be deemed to be the venue for the AGM.

3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON ITS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

4. As per the provisions of Clause 3.A.II. of the General Circular No.20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the matters of Special Business as appearing at Item No. 4 to 7 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forms part of this Notice.

5. The Explanatory Statement, pursuant to Section 102 of the Act setting out material facts concerning the business with respect to Item No 4 to Item No 7 forms part of this Notice.

6. Additional information, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/ re-appointment at this AGM is furnished as Annexure to this Notice.

7. In terms of the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the requirement of sending Proxy Forms to holders of securities as per provisions of Section 105 of the Act read with Regulation 44(4) of the SEBI Listing Regulations, has been dispensed with. Therefore, the facility to appoint Proxy by the members will not be available and consequently, the Proxy Form and Attendance Slip are not annexed to this notice convening the 11th AGM of the Company (the "Notice").

8. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in

9. Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.

10. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed Form No. ISR-1 and other forms, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

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

12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

13. **Nomination**

As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet

registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR- 3 or Form SH-14, as the case may be. The said forms can be downloaded from the Company's website at <https://magadhsugar.com/downloads/> Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at kolkata@in.mpms.mufig.com in case the shares are held in physical form, quoting their folio no(s).

14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4/ISR-5(for transmission) the format of which is available on the Company's website at <https://magadhsugar.com/downloads/> and on the website of the Company's RTA at <https://www.in.mpms.mufig.com>. It may be noted that any service request can be processed only after the folio is KYC compliant.
15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before July 25, 2025 through email on magadhsugar@birlasugar.org . The same will be replied by the Company suitably.
17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.magadhsugar.com and the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com.
18. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

19. Record Date for Payment of Dividend

The Company has fixed Friday, July 18, 2025 as the 'Record Date' for determining entitlement of Members to dividend for the financial year ended March 31, 2025, if declared at the AGM.

The dividend of ₹12.50 per equity share of ₹10/- each (i.e.125%), as recommended by the Board, if declared at the AGM, will be paid, subject to deduction of tax at source, as applicable:

- a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Friday, July 18, 2025.
- b) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Friday, July 18, 2025.

20. Tax on Dividend

Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to kolkata@in.mpms.mufig.com or magadhsugar@birlasugar.org by July 18, 2025. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to kolkata@in.mpms.mufig.com or magadhsugar@birlasugar.org The aforesaid declarations and documents need to be submitted by the shareholders by July 18, 2025.

21. Unclaimed Dividend

Members are requested to note that, dividends if not encashed for a period of 7 (seven) years from the date of transfer to the Unpaid Dividend Account of the Company,

are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 7 (seven) consecutive years are also liable to be transferred to the Demat account of the IEPF Authority.

In view of this, Members/ Claimants are requested to claim their unpaid/unclaimed dividends. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may write to the Company/ RTA for advising the procedure for Claiming the shares / dividend from IEPF Authorities. On the shareholder/ Claimant compiling with the procedure advised and submitting the required documents, the Company shall issue Entitlement Letter. The Members can submit the Entitlement Letter alongwith Form IEPF 5 and other required documents as mentioned at [www. iepf.gov. in](http://www.iepf.gov.in) and claim their shares from IEPF Authority.

For details, please refer to the corporate governance report which is a part of this Annual Report and the investor page on the Company's website <https://magadhsugar.com/annual-report/#investorInn>

22. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, shall be available for electronic inspection by the members during the AGM. All documents referred to in the Notice shall also be available for electronic inspection. Members seeking to inspect such documents can send an email to by mentioning their Name and Folio No. / DP ID and Client ID.
23. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
24. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the

commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on first come first served basis.

25. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/ MIRSDPoD1/P/ CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSDRTAMB/P/CIR/2021/655 and SEBI/HO/MIRSD/ MIRSDRT AMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated the listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form.

The investor service requests forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and the said SEBI circular are available on our website www.magadhsugar.com. In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest.

The Company has completed the process of sending letters to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs. Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar.

26. In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants. Instructions for e-voting and joining the AGM are as follows:

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

The remote e-voting period begins on Tuesday, July 29, 2025 at 9:00 A.M. (IST) and ends on Friday, August 1, 2025 at 5:00 P.M.(IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 26, 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 July 26, 2025.

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

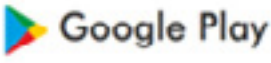
The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	- 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. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - 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. NSDL Mobile App is available on    
Individual Shareholders holding securities in demat mode with CDSL	- 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. - 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. - 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. - 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.

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. 1800-21-09911

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

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

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

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL 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:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.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 and join General Meeting on NSDL e-Voting system.

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to goenkamohan@gmail.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 Ms. Pallavi Mhatre, Senior Manager, NSDL 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 magadhsugar@birlasugar.org
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 magadhsugar@birlasugar.org. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. 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.

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

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

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at magadhsugar@birlasugar.org. The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered e-mail address mentioning their names, DP ID and

Client ID/folio number, PAN and mobile number at magadhsugar@birlasugar.org before 25th July, 2025. No communication shall be entertained thereafter. Only those Shareholders who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. Such questions by the Shareholders shall be taken up during the AGM and suitably replied to by the Company. The Company will decide, at its due discretion, whether and how it will answer the questions. It can either club similar questions or summarize questions in the interest of the other Shareholders. The Company reserves the right to restrict the number of questions and number of Speakers, depending upon the availability of time for smooth conduct of the AGM.

7. Shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Declaration of voting results

- i. The Board of Directors of the Company has appointed Mr. Mohan Ram Goenka, Partner, MR & Associates, Company Secretaries in whole time practice (Membership No. FCS 4515 and Certificate of Practice No. 2551) as the Scrutinizer to scrutinize the remote e-Voting process as well as e-Voting during the AGM in a fair and transparent manner.
- ii. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to the AGM) and make, not later than two working days from the conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- iii. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.magadhsugar.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Explanatory Statement Setting out Material Facts Pursuant to Section 102 of the Companies Act, 2013

Item No 4

The Board of Directors have on the recommendation of the Audit Committee, approved the appointment and proposed the remuneration of M/s D Radhakrishnan & Co., Cost Accountants, Kolkata, as Cost Auditors for conducting the audit of the cost records of Sugar, Industrial Alcohol and Power units of the Company for the financial year 2025-26, at a remuneration of ₹1,37,500/- (Rupees One Lakh Thirty Seven Thousand Five Hundred Thousand Only)

The Company has received a Certificate regarding his eligibility for appointment as Cost Auditors. A copy of the certificate would be available for inspection by the members at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on all working days, excluding Saturday up to the date of the Annual General Meeting.

In accordance with the provisions of Section 148 of Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor needs to be ratified by the Shareholders of the Company. Hence, this Resolution is put for the consideration of the Shareholders.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set forth in Item No. 4 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 4 of the Notice for approval of members, as an Ordinary Resolution.

Item No 5

Pursuant to recent amendments to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a listed entity is required to appoint a Secretarial Audit firm for not more than two terms of 5 (five) consecutive years, subject to Members approval at the Annual General Meeting.

In this regard, based on the recommendation of the Audit Committee of Directors, the Board of Directors, at its meeting on May 13, 2025, approved the appointment of M/s. Vinod Kothari & Co. ("VKC"), Practicing Company Secretaries (Firm Registration No. P1996WB042300), as the Company's Secretarial Auditor for 5 (five) years commencing from Financial Year 2025-26 to Financial Year 2029-30, subject to Members' approval, after taking into account the eligibility of the firm's qualification, experience, independent assessment, competency and Company's previous experience based on the evaluation of the quality of audit work done by them in the past.

The Company has received a consent letter from VKC, confirming their willingness to undertake the Secretarial Audit and issue the Secretarial Audit Report in accordance with Section 204 of the Act along with other applicable provisions, if any, under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended. VKC hereby affirms its compliance with Regulation 24A(1B) of the Listing Regulations in providing services to the Company. Further, VKC confirms that they hold a valid peer review certificate issued by ICSI and it fulfills all eligibility criteria and has not incurred any disqualifications for appointment, as outlined in the SEBI circular dated December 31, 2024.

VKC is a leading firm of practicing Company Secretaries with over 25 years of experience in delivering comprehensive professional services across Corporate Laws, SEBI Regulations and FEMA Regulations. Their expertise includes conducting Secretarial Audits, Due Diligence Audits, Compliance Audits etc.

The Board of Directors has approved remuneration of ₹2,50,000 plus applicable taxes and out of pocket expenses for Financial Year 2025-2026 and for subsequent years of the term, such fee as maybe determined by the Board on recommendation of the Audit Committee in consultation with VKC. Besides the audit services, the Company would also obtain permitted services which are to be mandatorily received from the Secretarial Auditor under various statutory regulations from time to time, for which VKC will be remunerated separately on mutually agreed terms. The Board of Directors, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditor.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the resolution at Item No. 5 of the accompanying Notice.

The Board recommends the Ordinary Resolution at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

Item nos. 6 and 7

The Board has appointed Mr. Pankaj Singh (DIN: 11090613) as an Additional Director of the Company w.e.f. 14th May, 2025 pursuant to applicable provisions of the Act. Notice as per the provisions of Section 160 of the Companies Act, 2013 (the Act) has been received in writing from a member proposing the candidature of Mr. Pankaj Singh for the office of Director of the Company.

The Board at its meeting held on 13th May, 2025, has also appointed Mr. Pankaj Singh (DIN: 11090613) as an Executive

Director for a period of 3 (three) years with effect from 14th May, 2025, designated as Whole-time Director, liable to retire by rotation. The Board also approved the terms and conditions of his appointment, including remuneration, as recommended by the Nomination and Remuneration Committee, in accordance with Section 196, 197 and 203 and Schedule V of the Act, and other applicable provisions of the Act; read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Managerial Personnel Rules") (including any statutory modification(s) or re-enactment thereof), for the time being in force, and subject to the approval of the members.

Mr. Singh is a Bachelor of Engineering (Mechanical) from NIT-Shilchar, ANSI(Sugar Engineering), PGDBA – Pondicherry University, an Alumnus of IIM- Ahmedabad. He is an achievement driven prolific leader with rich experience over 30 years in Sugar Industry. In his last association for 17 years with DCM Shriram Sugar group, he has played multiple pivotal roles with significant

capacity both in Corporate and Unit level with rich cross functional expertise.

The Nomination and Remuneration Committee and the Board, having regard to his qualification and experience, considered him to be a fit and proper person for the post of Whole-time Director of the Company.

The terms and conditions, including remuneration of Mr. Pankaj Singh are as detailed below:

Terms of Appointment

The appointment of Mr Pankaj Singh shall be for a period of 3 (three) years w.e.f. 13th May, 2025 and his appointment as Whole-time Director shall be subject to the approval of the Board and Shareholders of the Company, pursuant to Section 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

i.	Basic Salary	₹8,00,000/- (Rupees Eight Lakhs Only) per month. (The Nomination and Remuneration Committee may recommend to the Board such increase in emoluments after taking into account the Company's performance, within the limits contained in Companies Act, 2013 or any amendment thereof or otherwise as may be permissible in law)
ii.	Special Allowance	₹5,60,000/- (Rupees Five Lakhs Sixty Thousand Only) per month
iii.	Provident Fund	Contribution to Provident Fund shall be as per the Rules of the Company i.e. @12% of Basic Salary
iv.	Accommodation	Reimbursement of Rent @ ₹95,000/- (Rupees Ninety Five Thousand Only) per month
v.	Performance Bonus	₹20,00,000/- (Rupees Twenty Lakhs Only) per annum.
vi.	Leave Travel Assistance	₹8,00,000/- (Rupees Eight Lakhs Only) per annum.
vii.	Car & Telephone	The Company shall provide two cars with driver and telephone at the residence of the Whole-time Director. Provision of car for use on the Company's business and telephone will not be considered as perquisites. Personal long distance calls and use of car for private purposes shall, however, be paid for by the Whole-time Director.
viii.	Travelling and other Expenses	Reimbursement travelling and all other expenses incurred for the business of the Company
ix.	Leave	Leave as per the Rules of the Company.
x.	Notice Period	The appointment may be terminated by giving three months' notice by either side without assigning any reason whatsoever.
xi.	Minimum Remuneration	Wherein in any financial year during the tenure of your employment, the company has no profit or its profit is inadequate, the remuneration payable to the Whole-time Director will be as outlined above, subject to approval of shareholders/ Central Government, if so required.
xii.	Sitting Fee	The Whole-time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or any Committees thereof during his tenure as Whole-time Director.

Mr. Pankaj Singh, satisfies all the conditions as set out in Part I of Schedule V referred to in Section 196 of the Companies Act, 2013 for being eligible to be appointed as Whole-time Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also confirmed that he is not debarred from holding office of Director by virtue of any SEBI order or any other such authority. Disclosure under Regulation 36(3) of the Listing Regulations, 2015 is set out in the Annexure I to the Explanatory Statement.

The Company has not defaulted in the payment of dues to any bank or public financial institution or any other secured creditor.

In the opinion of the Board, the appointment of Mr. Pankaj Singh as Whole-time Director is in the best interest of the Company and accordingly, your Directors recommend the resolutions set out at item no. 6 and 7 for approval of the members as an Ordinary Resolution and Special Resolution respectively.

Save and except Mr. Pankaj Singh, none of the other Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, in the resolutions set out at item nos. 6 and 7 of the Notice.

Particulars of Directors seeking appointment/ re-appointment at the Annual General Meeting

(In pursuance of Section 196 (4) of the Companies Act, 2013, Regulation 36 of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2)

Name	Mr Chandra Shekhar Nopany	Mr Pankaj Singh
Date of birth	19.09.1965	04.01.1967
Brief profile covering experience	Mr. Chandra Shekhar Nopany is a Member of the Institute of Chartered Accountants of India and Masters in Science of Industrial Administration from Carnegie Mellon University, Pittsburgh, USA. 1989. He is an eminent industrialist having vast experience in diverse fields like sugar, tea, shipping, textiles, fertilizers and chemicals, etc. He is the past President of Indian Chambers of Commerce and the present member of the Executive Committee of FICCI.	Mr. Pankaj Singh is a Bachelor of Engineering (Mechanical) from NIT-Shilchar, ANSI(Sugar Engineering), PGDBA – Pondicherry University, an Alumnus of IIM-Ahmedabad. He is an achievement driven prolific leader with rich experience over 30 years in Sugar Industry. In his last association for 17 years with DCM Shriram Sugar group, he has played multiple pivotal roles with significant capacity both in Corporate and Unit level with rich cross functional expertise.
Date of appointment	29.07.2016	13.05.2025
Terms and Conditions of Appointment/Re-appointment	Mr Chandra Shekhar Nopany shall be liable to retire by rotation and he shall be entitled to receive sitting fee for attending the meetings of the Board of Directors and Committees thereof and the payment by way of commission within the limits approved by the members	Mr. Pankaj Singh is proposed to be appointed as a Wholetime Director for a term of 3 years, subject to the approval of the shareholders.
Relationship with other Directors / Key Managerial Personnel	None	None
Remuneration last drawn FY (2024-25)	₹17.20 lakhs (for remuneration details, please refer the Corporate Governance Report)	Not Applicable
Shareholding	37,724 Equity Shares	Nil
No of meetings of the Board attended during the financial year (2024-25)	Five	Not Applicable
Directorships/ membership held in other public companies (excluding foreign companies) Other Directorships	Avadh Sugar & Energy Limited Yashovardhan Investment & Trading Company Limited Ronson Traders Limited New India Retailing & Investment Limited Sutlej Textiles and Industries Limited Chambal Fertilisers and Chemicals Limited Morton Foods Limited	None
Memberships / Chairmanships of other Indian public companies	- Stakeholders' Relationship Committee, Chairman SIL Investments Limited - Nomination and Remuneration Committee, Member - Corporate Social Responsibility Committee, Member Chambal Fertilisers and Chemicals Limited	None
Name of listed entities from which the person has resigned in the past three years	None	None

