DWARIKESH SUGAR INDUSTRIES LIMITED

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E Mail : dsilbom@dwarikesh.com Website : www.dwarikesh.com, CIN : L15421UP1993PLC018642

REF: DSIL/2022-23/137

May 30, 2022

Corporate Relationship Department
BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai - 400 001
Fax: 22723 2082 /3132

Scrip Code - 532610

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra – Kurla Complex,
Bandra [E], Mumbai - 400 051

Scrip Code – DWARKESH

Sub: Regulation 34 – Submission of Notice of 28th Annual General Meeting and Annual Report for the financial year – 2021-22

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Annual Report (AR) of the Company for the financial year 2021-22 including a copy of Notice of 28th Annual General Meeting (refer page 68 of AR) scheduled to be held on Thursday, June 30, 2022 at 11.30 A.M. through Video Conference ("VC")/ Other Audio Visual Means ("OAVM").

You are requested to acknowledge the receipt of the same.

Thanking you,

Yours Sincerely

BALKISHAN JAWARILAL MAHESHWARI
Digitally signed by BALKISHAN JAWARILAL MAHESHWARI
Date: 2022.05.30 11:23:56 +05'30'

B J Maheshwari
Managing Director & CS Cum CCO
(DIN: 00002075)

Encl: As above

Quantum leap

DWARIKESH SUGAR INDUSTRIES LIMITED

28TH ANNUAL REPORT 2021-22

Forward-looking statement

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

Contents

The first word

Dwarikesh Industries Limited reported record revenues during 2021-22.

This was nearly 39% higher than the average revenue of the preceding four years.

The Company reported an EBITDA margin of 14.89% during the year under review compared to an average EBITDA margin of 12.08% across the preceding four years.

The Company also delivered a peak market valuation towards the close of the last financial year.

The Company is at the cusp of transforming from a commodity product company to an energy player.

In line with this transition and optimism, the Company followed up on a dividend payment of 125% for 2020-21 with an interim dividend of 200% for 2021-22.

This quantum leap – in scale, scope and shareholder reward – is expected to graduate the Company into a different orbit.

Dwarikesh Sugar Industries Limited.

A specialised sugar cum derivatives company that operates out of three units in Uttar Pradesh.

Recognised as one of the most efficient players of the sugar sector in India.

Sustained by a perseverance leading to higher standards.

Driven by passion leading to outperformance.

Our vision

- To be the front runner in the sugar industry and rewrite the rules of running the business.
- To establish the Company as a market leader in the sugar industry.
- To set a level for international quality standards.
- To be a major sugar entity that has interests in other co-related businesses.
- To ensure the name of the Company is synonymous with good corporate governance and transparency.
- To be the paragon of virtue and righteous corporate with a human face.
- To contribute in bringing about a metamorphosis in the lives of the have-nots.

Our mission

- To deliver a product mix that enhances value for all stakeholders.
- To maximise the production of ethanol to serve national interests.
- To produce sugar of the highest quality, retaining the industry benchmark position.
- To achieve consistent annual growth with optimum technical efficiency and competitive production costs.
- To maximise customer satisfaction and employee/farmer welfare.
- To protect the environment and uphold the highest standards of integrity and values, with a passion for excellence and respect for all, while striding towards the achievement of our objectives.

Background

Incorporated in 1993, Dwarikesh Sugar Industries Limited was founded by Shri G. R. Morarka, who was driven by the objective to create one of the most respected sugar companies in India. Dwarikesh Sugar has positioned itself as one of the most sustainable multi-product sugar companies in India, manufacturing sugar, ethanol and co-generated power.

Manufacturing facilities

The Company has three manufacturing units in two regions across the western Uttar Pradesh. Dwarikesh Nagar and Dwarikesh Puram plants are situated at a distance of 45 kms apart in Bijnor district, while the Dwarikesh Dham plant is located in Bareily district.

People

The Company employed 771 permanent non-seasonal talents as on 31st March, 2022 across its manufacturing facilities and offices. A large proportion of these employees were based in the rural manufacturing plants.

Products

The Company engages in the manufacture of sugar, ethanol (and related products) and power.

Capacities

The maiden sugar manufacturing unit of Dwarikesh Sugar Industries Limited was commissioned in 1995 in Bijnor, Uttar Pradesh, with a cane crushing capacity of 2,500 tonnes per day. The Company's aggregate cane crushing capacity was 21,500 tonnes per day as on March 31, 2022. Besides, the Company possessed an installed manufacturing capacity of 162.5 kilolitres of industrial alcohol per day and co-generated 91 MW of renewable power by the close of the year under review.

Capacity as on March 31, 2022	Dwarikesh Nagar, Bijnor	Dwarikesh Puram, Bijnor	Dwarikesh Dham, Bareily	Aggregate
Sugar (tonnes of cane per day)	6,500	7,500	7,500	21,500
Co-generation (megawatts)	22	33	36	91
Distillery (litres per day)	1,62,500	-	-	1,62,500

Resource availability

The Company worked with ~1.51 lakh farmers across more than 1.20 lakh hectares of command areas across its three locations. The Company increased its procurement of sugarcane from 194 lakh quintals in sugar season (SS) 2007-08 to 378 lakh quintals in SS 2020-21, strengthening the local economy.

Listing

The Company is listed on the National Stock Exchange and Bombay Stock Exchange. As on March 31, 2022, the market capitalisation of the Company stood at ₹2,361 crore.

Leadership

Shri G. R. Morarka, *Executive Chairman*

- Over 20 years of experience in the sugar sector.
- Commerce graduate and ICWA Inter pass-out.
- Direct involvement in the business.
- A respected statesman in the industry; received Indira Gandhi Priyadarshini Award, multiple Bhamashah Awards, Indira Gandhi Sadbhavna Award and Swami Krishnanand Saraswati Purashkar, among others.

Shri Vijay S. Banka, *Managing Director*

- Over 30 years of experience in the fields of finance and strategy.
- Chartered Accountant.
- Employed with Dwarikesh since 2007.
- Whole Time Director and CFO between 2009 and 2018.
- Managing Director since 2018.

Shri B. J. Maheshwari, *Managing Director and Company Secretary-cum-Chief Compliance Officer*

- Over 30 years of experience in legal, taxation, secretarial and administrative areas.
- Chartered Accountant and Company Secretary.
- Employed with Dwarikesh Sugar Industries Limited since 1994.
- Whole Time Director and Company Secretary-cum-Chief Compliance Officer from 2009 to 2018.
- Managing Director and Company Secretary-cum-Chief Compliance Officer since 2018.

Our rewarding growth journey across 29 years

1993

- Established the Company.

1994

- Cane development initiatives undertaken.

1995

- Commissioned Dwarikesh Nagar plant with a crushing capacity of 2,500 tonnes of cane per day (TCD) and a co-generation capacity of 6 MW.
- Undertook road and infrastructure building initiatives around the plant.

1996

- Provided mechanical operational equipment to the farmers to encourage the plantation of sugarcane.
- Introduced the tubewell scheme for the benefit of farmers.
- Administered a balanced dose of fertilisers to farmers to secure their produce.
- Discouraged the use of rejected cane varieties.

2002

- Increased crushing capacity at Dwarikesh Nagar plant to 6,500 TCD.
- Commenced the supply of surplus co-generated power to the state electricity grid.

2004

- Mobilised ₹32.5 crore through an IPO.
- Increased co-generation capacity at the Dwarikesh Nagar plant to 17 MW.
- Commenced the supply of surplus 8 MW power to the state electricity grid from the Dwarikesh Nagar plant.

2005

- Commissioned a distillery at Dwarikesh Nagar plant with a capacity of 30,000 litres/ day.
- Commissioned Dwarikesh Puram plant with a crushing capacity of 7,500 TCD and a co-generation capacity of 9MW.
- Mobilised ₹54 crore additional net worth through a GDR.

2006

- Introduced CO 0238 variety of sugarcane across the Company's command areas.
- Encouraged wide row spacing and intercropping practices among farmers.

2007

- Commissioned Dwarikesh Dham plant with a crushing capacity of 7,500 TCD and a co-generation capacity of 36 MW (surplus of 24 MW).
- Increased cogeneration capacity at Dwarikesh Puram plant to 33 MW, resulting in a surplus of 24MW.
- Provided coragen to farmers to counter crop disease.

2008

- Commenced supplying surplus power to the state electricity grid from the Dwarikesh Puram and Dwarikesh Dham plants.

2016

- De-bottlenecked distillery capacity (Dwarikesh Nagar) by commissioning a biomethanated spent wash plant. Mobilised ₹59.4 crore through QIPs.

2017

- Right-sized the Dwarikesh Nagar plant to ensure optimal capacity utilisation.

2019

- Embarked on the expansion of the distillery capacity at the Dwarikesh Nagar plant with an envisaged investment of ~₹145 crore. The project was successfully executed and the expanded distillery operations commenced on 23rd December, 2019.

2020

- Stabilised the distillery with a capacity of 130 KLPD. Set up a CO_2 producing unit.

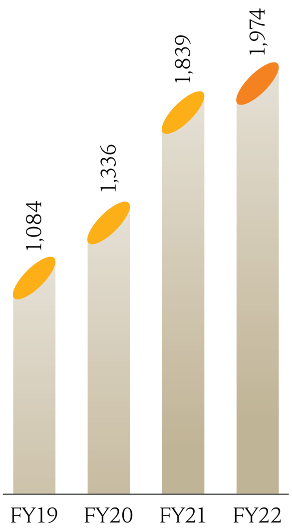
2021

- Recalibrated the distillery capacity and stabilised it at 162.5 KLPD.

An aerial view of our Dwarikesh Puram sugar unit

How we performed financially in the last few years

Revenues (₹ crore)



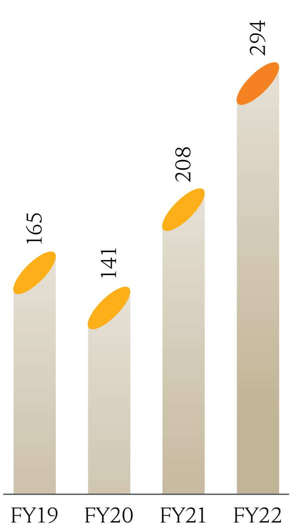
Definition
Revenues include sales & other operating income.

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

What does it mean?
Revenues increased 7.35% to ₹1,974 crores in 2021-22 due to higher sugar releases for the domestic market and transformation of revenue streams.

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

EBITDA (₹ crore)



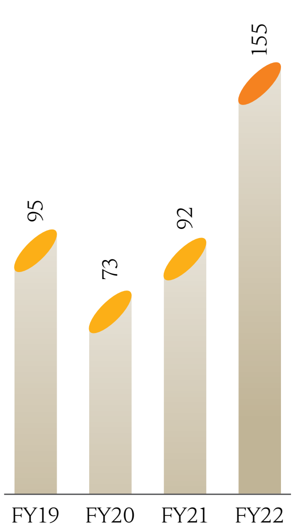
Definition
Earning before the deduction of interest, depreciation, extraordinary items and tax.

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

What does it mean?
Helps create a robust growth engine and sustain profits.

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

Net profit (₹ crore)



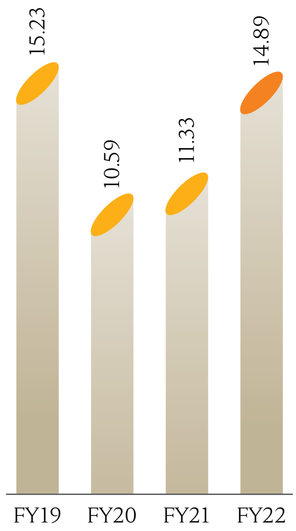
Definition
Profit earned during the year after deducting all expenses and provisions.

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

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

Value impact
The Company reported a 70% increase in net profit in 2021-22.

EBITDA margin (%)



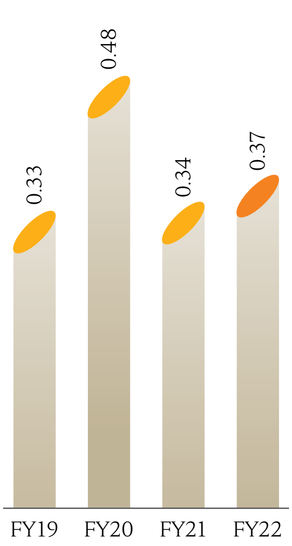
Definition
EBITDA margin is a profitability ratio used to measure a company's operating efficiency.

Why is this measured?
The EBIDTA margin provides a perspective of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

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

Value impact
The Company reported a 356 bps increase in EBITDA margin during 2021-22 on account of a more remunerative sales mix with a focus on selling ethanol besides a tight cost control.

Gearing (x)



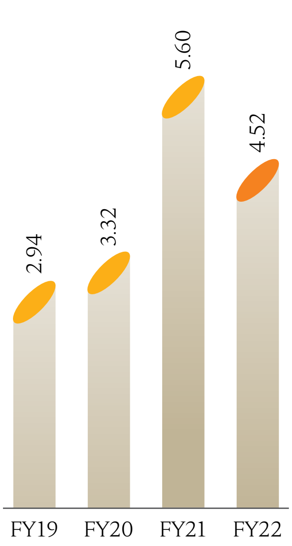
Definition
This is derived through the ratio of long-term debt to net worth (less revaluation reserves).

Why is this measured?
This is one of the defining measures of a company's solvency.

What does it mean?
This measure enhances perception of the borrowing room within the Company, the lower the gearing the better.

Value impact
The Company's gearing increased marginally by availing of a new loan for the upcoming distillery project at its Dwarikesh Dham unit.

Average debt cost (%)



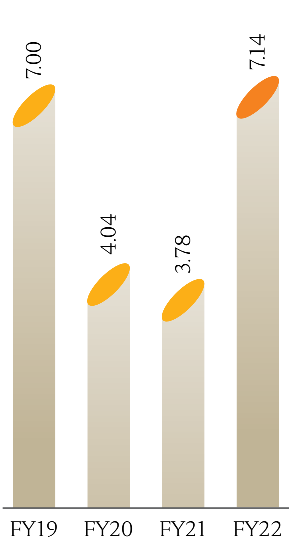
Definition
This is derived through the calculation of the average cost of the consolidated debt on the Company's books.

Why is this measured?
This indicates our ability in convincing bankers and other debt providers of the robustness of our business model, translating into a progressively lower debt cost (leading to potentially higher margins).

What does it mean?
Lower cost of debt indicates increased profitability and a room to strengthen the credit rating.

Value impact
The debt cost was lower than in 2020-21 on account of the Company's enhanced ability to negotiate loans at a lower rate of interest.

Interest cover (x)



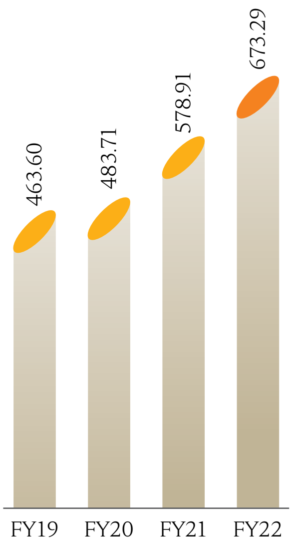
Definition
This is derived through the division of EBIDTA by interest outflow.

Why is this measured?
Interest cover indicates the Company's comfort in servicing interest – the higher the better.

What does it mean?
A company's ability to meet its interest obligations, an aspect of its solvency, is one of the most important drivers of shareholder value.

Value impact
The Company interest cover improved and nearly doubled during the year under review.

Net worth (₹ crore)



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

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

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

Value impact
The Company's net worth strengthened 16.30% during the year in spite of higher dividend payout.

Quantum leap and our company

At Dwarikesh, we are positioned to make a quantum leap in our business, starting the current financial year.

From the second quarter, we expect to derive the benefits of an expansion in our ethanol manufacturing capacity.

The 100% increase in our ethanol manufacturing capacity is expected to transform the Company's revenue mix.

When our expanded distillery operations operate at peak capacity, we expect that business to account for more than 30% of our revenues (assuming prevailing stable sugar realisations and considering only external revenues) compared to 17% in 2021-22.

We expect that this evolving revenue mix will not only increase our revenues but will also decisively enhance our margins, surplus and stakeholder value as well.

4 principal messages of this report

1

We were principally a sugar company.

We made decisive investments to broadbase our personality towards ethanol.

2

We were known as a company addressing a discretionary product.

We are deepening our role and presence in the national energy mainstream.

3

We grew by loading debt on our Balance Sheet in the past.

We will grow through accruals and concessional debt in the future.

4

We were a working capital-intensive company in the past.

We expect to be a liquidity-driven company in the future.

SECTORIAL CONTEXT

A new beginning for India's sugar sector: From commodity to bio-energy

Overview

'Clean energy'.

These two words are transforming the conventional Indian sugar sector.

The inflection point for the sector transpired four years ago when the Indian government announced a National Biofuels Policy.

This policy introduced a complete rethink in the way the sector was being directed across a number of fronts.

One, from part-dependance on year-on-year tactical government influence to strategic long-term policy creation.

Two, from belonging to the discretionary niche within the lifestyle sector to graduating to the mainstream energy platform.

Three, from being seen as a limited farmer-industry engagement to a farmer-industry-consumer interplay.

Four, from being seen as a product with a defined role within the life of the Indian consumer to now being seen as a sector helping moderate India's imports, enhancing national self-reliance.

Five, from a time when the sector was considered cyclical to prospects of multi-year stability, enhancing investment clarity.

2.5

US$ billion, Indian ethanol market size, 2019

16.5

US$ billion, estimated Indian ethanol market size, 2030

The Chairman's overview

INTRODUCTION

We now enter a new phase in our existence

The inflection point in the history of the Indian sugar industry transpired in 2018 when the Indian government announced a National Biofuel Policy.

This policy addressed lingering challenges in one stroke. It addressed the overcapacity within the sugar sector, the creation of a new revenue avenue (ethanol) and the enunciation of a long-term national appetite for bio-fuels. It would be fair to state that this single policy transformed the fortunes of the sugar industry; what used to be a cyclical business now appears to have entered a period of long-term sustainability. Thereafter, the Prime Minister emphasised the importance of moderating India's carbon footprint through a greater role for ethanol. This was backed by a virtually unlimited ethanol appetite, enunciated by India's mega oil marketing companies that provided sugar companies with an incentive to commission large distilleries.

Even as this scenario has begun to transform prospects for the sector, there is a premium on corporate preparedness, responsiveness and agility to translate a distinctive sectorial opportunity into enhanced stakeholder value. India's sugar companies need relatively under-borrowed Balance Sheets, liquidity to pay cane farmers on time, cane development programmes that factor in the need for technologically advanced cane varieties and a corporate willingness to invest in distillery capacity to facilitate ethanol manufacture.

The opportunity is as large as it is transformative, creating a once-in-decades opportunity for the sector and nimble companies to transform their DNAs from a commodity orientation into a value-added bio-energy personality.

How we have responded

Dwarikesh, awaited the full import of the policy and environment-friendly technologies before selecting to make our first decisive investment. This transpired in 2019 when the Company invested in enhancing its legacy distillery capacity from 30 KLPD to 100 KLPD in the first phase, commissioned towards the close of that calendar year. Thereafter, that capacity was further enhanced to 162.5 KLPD, which is where it stands today.

Our experience with this distillery validated the confidence with which we invested in it. The distillery operated at a capacity utilisation of more than 95% during the year under review; our operating efficiencies graduated to match the best standards of our sector; we enhanced the proportion of our organisational revenues from our distillery operations; there was an even sharper increase in the proportion of EBIDTA derived from our distillery business.

Given that our distillery business is playing a potent role in transforming our business profitability, the time has come to take our distillery business to the next level. The more we grow our distillery business, the higher our revenues, margins and profits. In view of this, the Company is addressing this potential through two initiatives: maximise the utilisation of the existing distillery capacity and commission a new larger distillery capacity during the current financial year. The cumulative impact of these two distilleries will not only increase our cumulative revenues; they will alter our personality and graduate our company from one orbit into another.

How we are transforming

Permit me to start with an India reference here, which will set the tone for our corporate transformation as well. Until a couple of years ago, India was a sporadic exporter; the country exported only when there was an excess within, almost always supported by government subsidy that made the exercise viable. As a result, India, despite the size of its sugar capacity, was never taken seriously in the international markets.

This has begun to change, with India playing a growing role in the international market in the last few years. In the last sugar season, India exported a cumulative 7 million tonnes of sugar and during season 2021-22, the country is expected to export more than 9 million tonnes of sugar. This has established a consistent India presence in the global markets, generating huge export revenues in the last two years. Besides, this export presence has helped evacuate a surplus sugar from the Indian market, moderating our inventory to reasonable levels. This correction in the national sugar inventory provides a stable sugar market, which, in turn, will empower manufacturers to remunerate farmers on time – a win-win proposition.

In 2022-23, we will possess a cumulative 337.5 KLPD of ethanol manufacturing capacity, which should graduate our ethanol throughput of 5.5 crore litres to an estimated 11 crore litres when both our distilleries are operated at their rated capacity utilisation.

This sizable increase in our ethanol throughput will be derived through increased cane crushing and a larger sacrifice of sugar production in favour of ethanol manufacture. There is every possibility that even as we generate a larger quantum of ethanol, we could produce a lower quantum of sugar. However, the increase in revenue derived from the additional manufacture of ethanol will more than compensate for the decline in sugar throughput, strengthening our overall profitability.

How we are evolving our DNA

Ever since we went into business, we focused on enhancing value from a stick of cane.

We did so through initiatives related to superior farm yields, better logistical effectiveness, advanced technologies and a prudent investment in the utilisation of byproducts. We believe that the sizable increase in our distillery capacity during the current financial year will not only transform the scale of our operations; it will achieve something more fundamental.

Following the commissioning of the second distillery unit, we expect to transform from a predominantly sugar-driven character to a bio-energy personality; we expect to graduate from the manufacture of a lifestyle-centric product to the increased throughput of a resource integral to national self-reliance and environment integrity; we expect to emerge from the shadow of cyclicality to business sustainability.

From this point onwards, we expect to grow in a sustainable manner with a smaller Balance Sheet. Our distillery business expansion is expected to deliver a shorter investment payback. In turn, our Balance Sheet is expected to generate a stronger Return on Capital Employed.

Conclusion

In view of this paradigm shift, we are positioned not only to enhance shareholder value; we are placed to enhance stakeholder value as well.

By the virtue of investing in environmentally responsible assets and technologies, we will protect the interest of the ecology around our manufacturing facilities.

By sourcing more cane at remunerative prices that are remunerated with speed, we will continue to strengthen livelihoods of our primary vendors (farmers).

By providing a knowledge-enhancing workplace, we will enrich the livelihoods of hundreds of individuals working with us.

By manufacturing a range of products – sugar, ethanol and co-generated power – we will address the needs of customers for a sweetener, clean fuel blend and green power.

By addressing our debt, interest and dividend obligations, we will service the commitments made to our financial partners (lenders and shareholders).

By addressing the complete needs of all stakeholders, we believe we are positioned to enhance our overall value proposition from the current year onwards when our distillery business expansion goes on stream.

We now enter a new phase in our existence.

G. R. Morarka, *Executive Chairman*

Managing Director's performance review, 2021-22

The Company reported a performance break-out year that should be sustainable

Overview

Dwarikesh Sugar Industries Limited reported its best-ever performance during the financial year 2021-22. This record performance was not achieved as the result of a cyclical upturn in the sugar industry. It was achieved at a time when sugar realisations continued to be stable, validating its investment in a transforming business model.

During the last few years, the Company invested a major portion of its capital expenditure in the non-sugar business of distillery operations. Until a few years ago, the Company had nursed a distillery capacity of 30 KLPD; within the space of just 5 years thereafter, the Company increased its distillery capacity 5.4x. The impact of that investment translated into the Company's superior performance during the year under review.

The Company reported profitable growth. Even as revenues increased 7.35%, EBITDA strengthened 41.09% and profit after tax rose 69.56%. EBITDA margin strengthened 365 bps to 14.89% and Return on Capital Employed increased 682 bps to 20.98%. These improvements are not one-off; even as they were built around a low base effect of the previous pandemic-affected year, they are sustainable on account of the Company's transformed business model.

Evolving personality

The improvement in our performance was reflected in the evolving revenue contribution from each business. Revenues from the Company's sugar business declined from 80% in 2020-21 to 75% during the year under review; revenues from the co-generation business declined from 13% in 2020-21 to 12% during the year under review; revenues from the Company's distillery business increased from 7% in 2020-21 to 13% in 2021-22. This transition was singularly responsible for an improvement in the Company's performance during the year under review (revenue includes internal revenue).

The Company sold 4.60 lakh tonnes of sugar in 2021-22 compared with 4.95 lakh tonnes in the previous year. The Company sold 1,595 lakh units of co-generated power in 2021-22 compared with 1,709 lakh units in the previous year. The Company sold 557.28 lakh litres of ethanol in 2021-22 compared with 317.32 lakh litres in the previous year.

The Company's sugar realisations improved 15.23% to ₹33.91 per kg; the average tariff realisation of co-generated power improved to around ₹3.17 per unit; the average realisation per litre of ethanol sold improved from ₹50.17 to ₹58.24.

This indicates there was a volume and value growth in our distillery operations, enhancing the quantity and quality of our financials. The result is that the ethanol impact had a disproportionate impact on our numbers. Even as ethanol accounted for 12.86% of our revenues during the financial year under review, it accounted for 41.22% of our EBITDA, highlighting its contribution to our profitability. The bottom-line is that the ethanolisaton of our company is good for our business and stakeholder value.

Growth driver

There are some good reasons for the increase in profitability arising out of the increased ethanol proportion of our operations.

One, the increased throughput of ethanol consumes a larger quantity of molasses generated from within our company. Following additional distillery capacity creation during the current financial year, the proportion of captively generated molasses that will be consumed within the Company will rise to 100% after meeting levy sale obligations. The financial impact will be an elimination of molasses sales at sub-optimal realisations, increase in molasses value-addition and the operational right sizing, whereby we are completely matched in terms of our resource availability and consumption capacity. We believe this will translate into a superior RoCE for our company.

Two, we are now empowered to shift from the manufacture of sugar to ethanol and vice versa should market realities warrant. If sugar prices increase beyond the threshold limit, we could exercise our judgement and increase the production of sugar; since the manufacture of ethanol is presently more value-accretive than sugar, we intend to enhance our shift to ethanol, including the possibility of sacrificing some production in favour of ethanol. This flexibility and adaptability empower us to maximise returns from our invested resources.

Three, the progressive ethanolisation will help us moderate our working capital outlay, the biggest cost in our business. Sugar is produced within the space of six months but sold across 12 to 15 months; ethanol is manufactured through the year (through direct juice and B-Heavy routes) but sold immediately. By the virtue of working with virtually no ethanol inventory, coupled with beneficial terms of trade, the ethanol business model is more resource light. This was evident during the last financial year when working capital outlay declined 21.84% even as revenues increased 7.35%. Besides, peak working capital outlay declined. Going ahead, we will grow our business around an even more moderate Balance Sheet, the basis of our profitability and sustainability.

Four, our business now comprises an attractive and resilient mix – rapidly growing ethanol revenues and profits, marginally improving sugar revenues and profits as well as stable annuity co-generation revenues. Going ahead, we see an attractive transition: while ethanol contribution to our overall profitability will increase corresponding to the growth in our distillery capacity, there is a possibility of sugar realisations improving following a projected decline in national sugar inventory. When this transpires, our company will generate growth from two engines (distillery and sugar) with additional revenues generated from its steady co-generation business.

Five, by extending our operating passion to both businesses, we will enhance the sweating of our sugar and distillery assets, reflecting in superior fermentation and crushing economies.

Going ahead, we see an attractive transition: while ethanol contribution to our overall profitability will increase corresponding to the growth in our distillery capacity, there is a possibility of sugar realisations improving following a projected modertion in national sugar inventory.

Outlook

Going ahead, we will strengthen the base of our operating pyramid by continuing to pay farmers on time for their cane, staying as a preferred cane customer, widening cane coverage across our command areas and replacing existing cane varieties with advanced alternatives. In doing so, we expect to generate for our vendors a superior farm yield that translates into a higher utilisation and throughput for our businesses.

I must end with a growing optimism about where our core business of sugar is headed. India is estimated to produce more than 35 MT of sugar in the 2021-22 season, which will be the highest ever. India's sugar consumption at 27.5 million tonnes, coupled with an estimated export of more than 9 million tonnes will result in a year-end inventory that is equivalent to about three months of consumption at the close of the 2021-22 sugar season. As more sugar mills sacrifice the production of sugar and graduate to the manufacture of ethanol, there is a possibility of the country's sugar production declining. Besides, with an increasing quantum of sugar export, the sugar inventory within India's consumption pipeline is expected to decline to a point where it is adequate without becoming substantial and not inadequate enough where it becomes a threat to national food security. This sweet spot is essential to stabilise sugar realisations around a level where they do not become prohibitive for consumers while assuring millers a fair return.

Besides, the outlook for the distillery business appears positive into the long-term. There is a greater government focus in increasing the blending of ethanol with automotive fuel to 20% by 2025. This means that we enjoy a virtually unlimited headroom for ethanol sales. Coupled with attractive prices announced by the government, we see an attractive volume-value proposition driving this business forward.

In view of these realities, we see our company attractively placed to enhance stakeholder value going ahead.

Vijay S Banka, Managing Director

How we protected the Company and our talent during the second wave of the pandemic in 2021-22

Overview

The Indian subcontinent experienced second wave of the COVID-19 pandemic at the beginning of 2021-22. This resulted in having a more adverse impact than the first one with oxygen cylinders and hospital beds being limited in response to the demand.

With the manpower and manufacturing capacities getting affected in addition to the above problems, Dwarikesh ensured smooth operations and care for its workers and communities.

Challenges and counter-initiatives

The Company faced challenges in an unprecedented and an uncertain environment due to the pandemic.

The protection of our employees and farmers came at a premium to the cost.

The manufacturing process, time and speed were challenged on account of the pandemic.

Responses

We organised a number of awareness programs for the workers and the villagers through banners and a health desk.

All employees and thousands of farmers within the proximity of the manufacturing facilities were vaccinated as a part of the Company's vaccination drive.

The plants of the Company were completely sanitised. Moreover, the Company introduced its own sanitiser brand in the form of 'Dwarikesh Sanitiser'.

Government hospitals and villagers were provided with PPE kits.

The Company was successful in restricting the number of COVID cases within its team. Besides, quarantine centres were provided to the positive cases with all the necessary facilities in Club Bhavan.

The Company handled the pandemic situation in an effective manner. Dwarikesh ensured that its employees felt "Kuchh mujhe hua toh Dwarikesh mere peeche khada hai".

The impact of the pandemic on our verticals

Sugar

Temporary decline in demand

Temporary decline in realisations

Mid-to-long term relevance protected

75% of Dwarikesh revenues

Ethanol

Short-term decline in offtake

Redistribution of available output by buyers

Future relevance untouched

13% of Dwarikesh revenues

Co-generation

No change in offtake

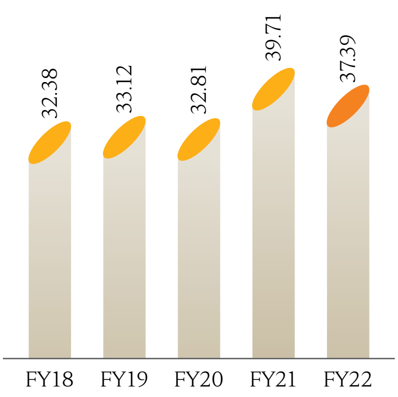
Future relevance intact

12% of Dwarikesh revenues

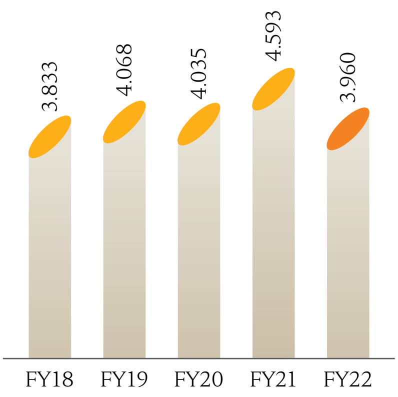
All revenues consist of internal product transfer revenues

How we strengthened our operations across the years

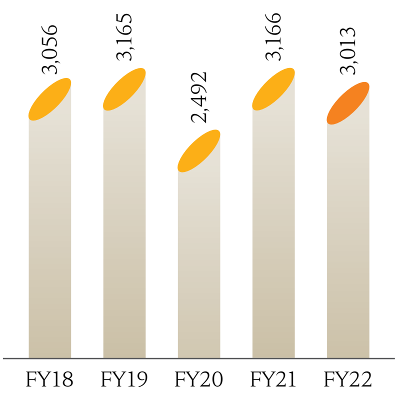
Sugar cane crushed (lakh tonnes)



Sugar produced (lakh tonnes)



Power generated (lakh units)



Balance Sheet

Ratio	2017-18	2018-19	2019-20	2020-21	2021-22
Earnings per share	5.39#	5.05	3.90	4.86	8.24
Book Value per share	19.43#	24.62	25.69	30.74	35.76
Inventory turnover ratio (turnover / closing inventory)	2.51	1.60	1.54	2.08	2.45
Fixed assets turnover ratio	4.19	3.23	3.09	4.48	3.72

Split share of ₹1 each

Profitability ratios

Percentage (%)	2017-18	2018-19	2019-20	2020-21	2021-22
EBITDA margin	11.19	15.23	10.59	11.33	14.89
Net profit margin	6.87	8.49	5.48	4.96	7.85

Liquidity and solvency ratios

Ratio	2017-18	2018-19	2019-20	2020-21	2021-22
Current Ratio	1.07	1.29	1.21	1.41	1.62
Quick Ratio	0.10	0.17	0.20	0.18	0.16
Debt-equity ratio (including working capital) #	0.89	1.37	1.70	1.04	0.77
Debt-equity ratio (only long-term debt) #	0.15	0.33	0.77	0.34	0.37
Interest cover	6.29	7.00	4.04	3.78	7.14
Receivables in days of turnover equivalent (considering sale of power & ethanol, which are only sold on credit)	167.28	153.57	216.61	114.43	49.34
Payables in days of turnover equivalent	48.29	66.53	64.18	52.75	37.71

Debt excludes preference share capital

How we strengthened our business in 2021-22

Cane development

- Spearheaded a programme for the progressive replacement of CO 0238 cane variety with CO 15023.
- Replacement inspired by the need to create an insurance against red rot disease.
- Strengthened cane logistics efficiency.

Distillery capacity expansion

- Operated distillery at 162.5 KLPD.
- Serviced the need of all oil marketing companies.
- Embarked on creating a second distillery (175 KLPD).

Strengthened product mix

- Consciously sacrificed sugar output for more ethanol.
- Increased ethanol output (B-Heavy route); plan to use cane juice to produce ethanol in SS 2022-23.
- Reduced molasses sales; increased captive consumption.

Right-sized Balance Sheet

- Repaid ₹50.27 crore debt in 2021-22.
- Year-end gearing at an attractive 0.77.
- Low average debt cost of 4.52%.

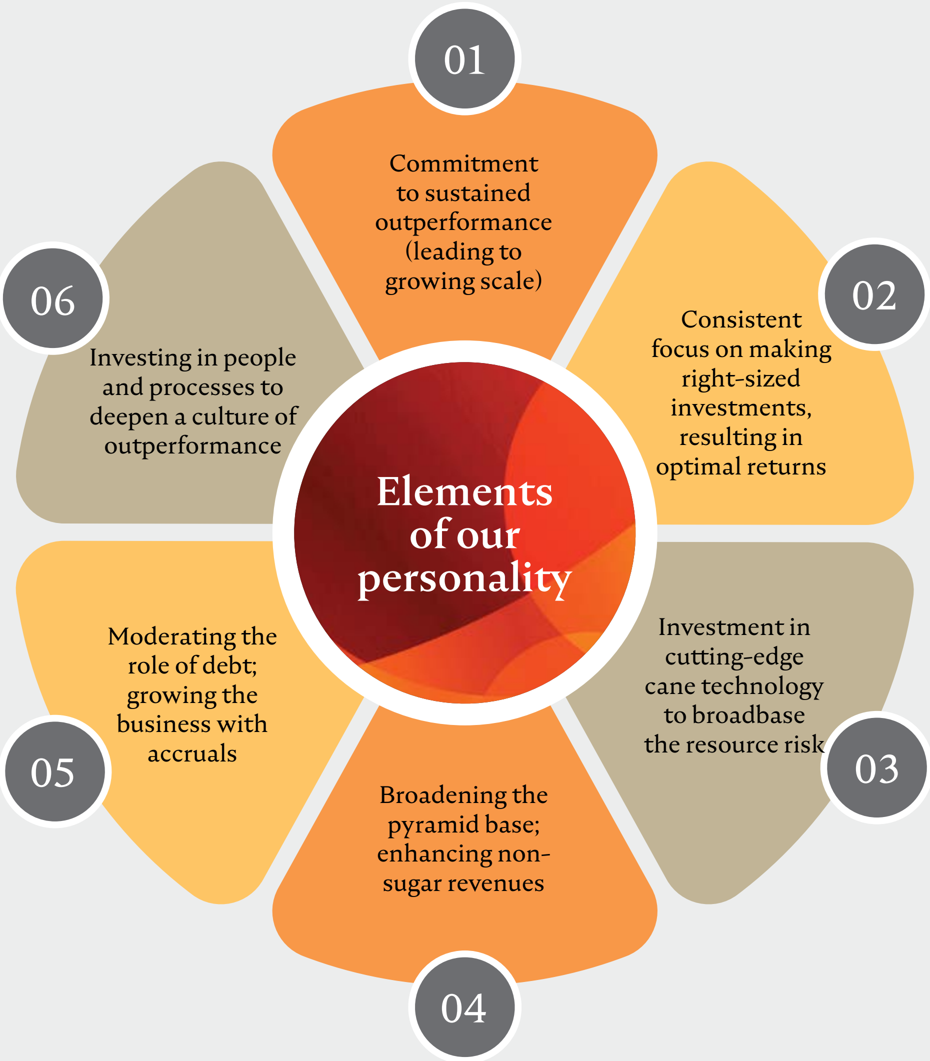
Prudent expansion

- Invested in a new ₹232 crore distillery.
- 20% of the investment to be generated from accruals.
- 80% of the outlay to be generated from concessional government debt.

Sugar and distillery unit - Dwarikesh Nagar

The essential Dwarikesh personality

Dwarikesh is a company driven by people, plants and passion leading to a sustained outperformance



Dwarikesh.

How we went against prevailing trends to build a robust company

Strategy
The Company did not frantically commission, acquire or expand sugar capacities only on the basis of government incentives.

Outcome
The Company was protected from an ensuing sectorial glut that would have affected margins and profits.

Strategy
The Company did not announce liberal dividends when the priority was to invest in gross block.

Outcome
The Company maximised the role of accruals in building its business, strengthening its viability.

Strategy
The Company resisted the temptation to make liberal accounting interpretations, selecting to present a credible picture of its financials instead.

Outcome
The Company selected to deepen its governance and enhance trust.

Strategy
The Company did not grow its business with sizable debt, which could have affected business sustainability.

Outcome
The Company preferred to grow out of net worth to the extent the Balance Sheet permitted.

Strategy
The Company capitalised on a favourable long-term government policy by making a decisive investment in its distillery business.

Outcome
The proportion of non-sugar revenues will increase, strengthening sustainability.

What Dwarikesh's employees have to say about its culture

Perfect blend

"I say this with responsibility: a number of sugar companies have excellent professionals but no passion; Dwarikesh has both."

Salil Arya, Group Compliance Officer, Dwarikesh Sugar Industries Limited

Flexibility at our Company

Dwarikesh is an interesting company to work with: 100% junoon during the sugar season and the option to stay at home at a reduced salary during the off season for some months and full engagement for the others (focusing on repairs and maintenance).

Deepak Kumar Gupta, Assistant Officer – Personnel, Dwarikesh Puram

Out of the box

One December during the midst of the cane crushing season, a gear box broke when we did not have a spare. The factory worker arranged a short-term replacement but it collapsed again. The cane department immediately asked farmers not to deliver cane to our plant. I did something 'out of the box'. I brought a smaller gear box from another site. It was not of a suitable size but we made modifications and placed it in the reverse direction. I had a hunch that it would work. By 8 am, I finished the job and resumed operations. We responded with a minor capacity reduction till we could procure the required spare part. The factory was running in five hours. Why did this happen? Because of the freedom from the Chairman to think 'out of the box'.

P. Babu, Deputy General Manager – Maintenance, Dwarikesh Puram

God lies in the details

At 67, I retired in another sugar company and was selected to work in Dwarikesh. In my previous companies, the promoters would not involve in micro-level operations. I salute Mr Morarka for getting into fine print. At Dwarikesh, micro-management means that any person can submit his proposal to the Chairman who will assess the merits and respond within an hour ...98% of the time.

K.P. Singh, Vice President - Works, Dwarikesh Nagar & Dwarikesh Puram

Freedom at workplace

In 2010, we had two turbines (24 MW and 12 MW) running in isolation mode and the maximum we could 'export' was 22 MW. I proposed synchronising both turbines - capacity of 24+12=36 MW capacity. Mr. Morarka said, 'Let's try. I am there with you.' We anticipated temporary power outages. The maximum power that was then 'exported' was 26+MW, increasing co-generation revenues 10-12%. This transpired because one was empowered to carry out improvements.

R.K. Gupta, Senior Executive Vice President –Works, Dwarikesh Dham

Employee first

The only way I can faithfully describe the Dwarikesh management is that it is highly *sanvedansheel* (compassionate) towards the welfare of its employees. The result is that a substantial proportion of the employees have been with us for ten years or more, which is unusual for a company of this size.

Ashok Kumar Singh, Deputy General Manager – Human Resource Department, Dwarikesh Puram

Stating the truth

When I joined in 2006, what attracted me was the complexity of the work experience - no two seasons were alike and no two days were alike across policies, weather, daily crushing quantum, labour and indenting. I was one of only two women at the workplace, which appeared to be a bigger challenge; besides, there was a need to be taken seriously and need to be told the complete reality as opposed to being blind-sided by cosmetic truths as I came from the promoter's family. Gradually these issues resolved and today if there is one thing we take pride of at Dwarikesh it is that we can state the truth the way it is – across levels.

Priyanka G. Morarka, President – Corporate Affairs, Dwarikesh Sugar Industries Limited

STAKEHOLDER
VALUE-CREATION
REPORT

How we have enhanced value for all our stakeholders, 1996-2022

Overview

In the modern world, it is no longer enough to enhance shareholder value. The operative term that is being increasingly used is 'stakeholder value'.

By the very nature of the term, 'stakeholder' does not merely refer to the interest group that owns shares in the Company. It refers to every single individual or sentiment that is likely to be influenced by the Company's brand, product or operations. In short, it refers to everyone and everything, living or not.

This represents an understanding of how the value sought to be created needs to be integrated across all stakeholders, the measure by which all companies are appraised. This Integrated Value-Creation Report is being increasingly respected for its appraisal of 'hard' and 'soft' initiatives in its reporting format. The report draws on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation's ability to create, enhance and sustain value.

Interestingly, the influence of an Integrated Report enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers), underlining the need for an organisation to enhance value in a sustainable manner.

01

Enhanced our cane access and variety

- The Company invested in regions rich in cane growing tradition and potential.
- The Company remunerated cane farmers on schedule, enhancing their confidence.
- The Company advised the use of robust cane varieties (disease-resistant and high yielding).
- The Company procured ₹9,286.18 crore of cane in the decade ending 31st March 2022.
- The Company encouraged more farmers to plant cane (92,503 farmers in all as on 31st March 2022).

02

Enhanced value through optimal resource integration

- Made an extensive utilisation of byproducts generated from cane crushing.
- Invested in prudent capacity matching – downstream capacity matched to resource inflow.
- Built the business around self-sufficiency; did not procure or sell resources.
- Built the business around maximised resource utilisation
- Focused on maximising Return on Capital Employed.

03

Enhancing efficiencies through a passion-driven team

- The Company invested in knowledge, empowerment and a 'can do' attitude.
- This created an overarching culture of generating more from less.
- The Company reported among the highest sugar recoveries in Uttar Pradesh.
- The Company reported high utilisation of its sugar, distillery and co-generation assets.
- The incremental revenues and profits strengthened the Company's competitive advantage.

04

Entering spaces with unlimited headroom

- The Company addressed investments towards enhancing its distillery capacity.
- This two-phased investment could transform the Company's revenue profile and personality.
- The Company will capitalise on unlimited headroom at a disruptive moment.
- The Company will grow its presence at a time when long-term supply could lag demand.
- The Company addressed a multi-year opportunity to enhance stakeholder value.

05

Positioned to capitalise on the sector's re-rating

- The Indian sugar sector is graduating from a commodity play (sugar) towards a superior rerating (bio-energy).
- The re-rating is likely to be influenced by the fact that the bio-energy space is linked closely with national economic progress and fuel security.
- The bio-energy sector is associated with the need for clean air, a fundamental right.
- The space is attracting global investment, enhancing visibility.

Our robust long-term business model

Governance commitment: The Company has made governance the centre-point of its existence, reflected in the right way of doing the right things.

Revenue mix: The Company reconciles three businesses: sugar (thin margin, high volume), ethanol (high margin, high volume) and power co-generation (mid-margin, mid volume).

Locational presence: The Company deepened operations in the sugarcane rich belt of Western Uttar Pradesh (three factories) on account of favourable climatic conditions for robust sugar cane cultivation.

Farmer engagement: The Company has scaled vendor relationships across more than 1.50 lakh farmers, a credible critical mass to raise more cane.

Cane management: The Company invested in an extensive research of cane varieties and farming techniques to enhance yield; it was the first Uttar Pradesh sugar company to introduce the next generation CO 0238 variety (now being moderated in favour of varietal broadbasing).

Cost leadership: The Company continued to focus on active cost management (highest recoveries and modest overheads), retaining its position as one of the lowest-cost sugar / ethanol producers in Uttar Pradesh.

Debt mix: Concessional debt accounted for 100% of the Company's long-term debt. Working capital debt accounted for only 51.77% of the total debt as on 31st March 2022.

Broad-basing: The Company's distillery investment is expected to moderate the proportion of revenues derived from sugar, broad base the business and enhance overall margins.

Environment responsibility: The Company invested prudently in environment-protecting assets, processes and practices, strengthening its positioning as a responsible organisation.

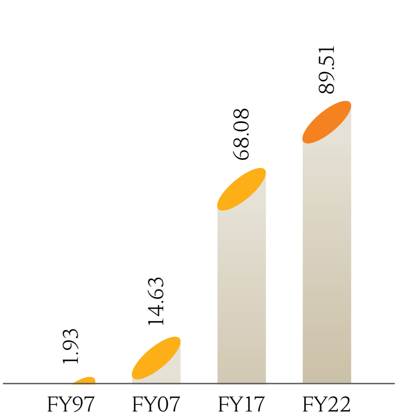
Financial robustness: The Company will focus on growing largely through accruals and low debt, which is reflected in its debt-equity ratio of 0.77 in 2021-22 (1.04 in the previous year) and a rising interest cover (3.78 to 7.14 in the last two years).

Our strategy

Strategic focus	Vendor focus	Customer focus	Community focus
Key enablers	Dwarikesh has a growing appetite for cane, which provides vendors a platform for long-term revenue opportunity. The Company's principal vendors comprise farmers, who are remunerated on schedule and supported through the provision of subsidised seeds and pesticides.	Dwarikesh remains a product provider of choice through high quality and the ability to deliver promised quantities. The Company invested in modern processing and testing infrastructure to enhance product integrity.	Dwarikesh is a responsible corporate citizen. The Company is engaged in working at the grassroots through interventions in education, women's empowerment, agriculture, skill development, environment, social awareness and health. The Company touched the lives of people through its ₹2.99 crore CSR spending in 2021-22.
Material issues/ addressed	There is a need to engage actively with farmers, advising them on the use of pioneering agri technologies and building overall trust.	Manufacturing the highest standard of products delivered on time, strengthening dependability.	Engaging with sensitivity and professionalism in addressing unmet social needs.

The value we have enhanced over the years

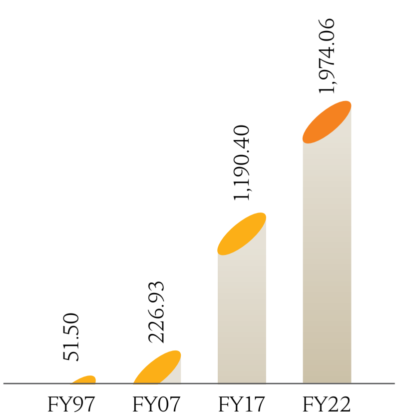
Salaries and wages (₹ crore)



Employee value

The Company has invested a progressively larger amount in employee remuneration, underlining its role as a responsible employer.

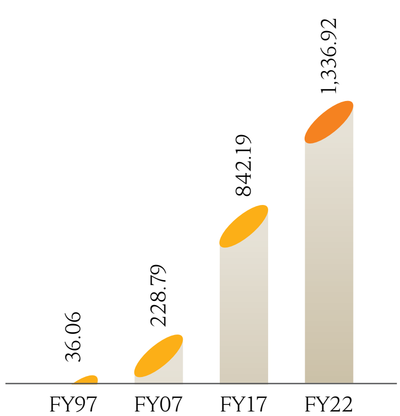
Revenues (₹ crore)



Customer value

The Company has generated increased revenues, which is an index of the value created for customers.

Cane procurement (₹ crore)



Vendor (farmer) value

The Company procured a larger quantum of cane resources, strengthening procurement economies.

Shareholder focus

Dwarikesh emphasises governance, operational excellence, cost leadership and information transparency.

The Company is growing the non-sugar side of its business to enhance its countercyclical stability.

The Company progressively moderated debt down to a gearing of 0.77 as on 31st March, 2022.

The Company is respected as one of the most efficient sugar companies of India.

Investing in a robust business approach that enhances long-term viability, Balance Sheet integrity and viability across market cycles.

Employee focus

Dwarikesh is a stable employer of more than 771 permanent non-seasonal talents across locations (offices and factories).

The emotional ownership among employees is coupled with delegation, empowerment, trust and accountability.

Most of the Company's employees were rural, strengthening the Company's recall as a rural economy driver.

Around 4.88% of the revenue was paid out as employee remuneration.

Creating a professional and passionate operating culture, marked by prudent recruitment, retention and excellence

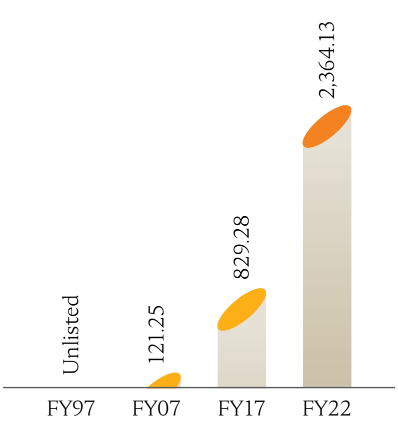
Government focus

Dwarikesh pays taxes in the geographies of its presence, generates local employment, complies with laws and statutes and enriches the communities where it is present.

The Company paid ₹38.51 crore to the exchequer (direct taxes) in 2021-22.

Working with a strong set of compliance, while, addressing its statutory dues and obligations, empowering the country to invest in national progress.

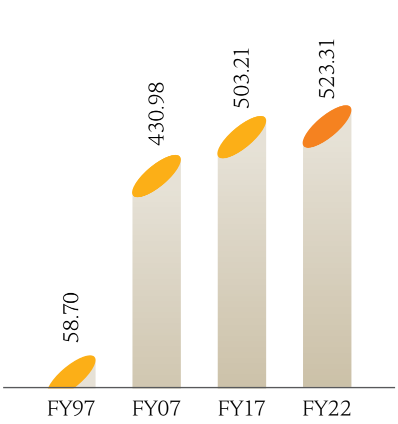
Market capitalisation (₹ crore)



Shareholder value

The Company strengthened its shareholder value through a complement of prudent business strategy, accrual reinvestment, leveraging its value chain and cost management.

Loans (₹ crore)



Lender value

The Company evoked trust among debt providers to provide funds for asset creation and working capital.

CSR investment (₹ crore)

Community value

The Company enriched communities in the geographies of its presence through a complement of various programmes.

CULTURE

How we sustained a culture of manufacturing excellence in FY2021-22

Snapshot

- Focus on operating at the highest standards
- Producing at the highest quality standards
- Protecting employees, environment and communities
- Generating more given resources
- Maximising asset utilisation

Overview

At Dwarikesh, our culture of manufacturing excellence has been strengthened through an investment in cutting-edge technologies, downstream integration (by-product from one business used as an input for another), relatively low downtime, safety practices and first-rate product quality. The result has been a commitment to responsible agriculture.

The Company commenced operations in the Dwarikesh Nagar plant, Bundki, in 1995 followed by plants in Afzalgarh and Bareilly. The Company manufactures sugar crystals of a quality below 100 ICUMSA (international unit of sugar analysis), which generates a premium.

The Company was the first sugar company in Uttar Pradesh to use the new generation CO 0238 cane variety (early maturing), which not only enhanced farm yields but also enhanced manufacturing output leading to an increased recovery.

As a testimony of the Company's manufacturing excellence, capacity utilisation was an average ~90% for the sugar manufacturing business and ~95% for the distillery operations during the year under review.

The Company's operations were neither censured or closed (for however short a period) for any safety or environmental transgression, emphasising responsible operations.

Manufacturing competencies

Technology: The Company's manufacturing units have been invested with advanced equipment, periodically upgraded to operate in line with the best industry standards. The result is that the Company's facilities comprise best-in-class turbines, boilers and other equipment, enhancing manufacturing outcomes.

Leadership: The Company's manufacturing practice is led by experienced team leaders, which translates into informed decisions.

Engineering team: The Company's manufacturing practice is supported by a competent engineering team, resulting in a downtime lower than the industry standard and operational consistency.

Controls: The Company has delivered a controlled consumption of chemical resources, among the lowest in the industry.

Sustainable: The Company's sustainable environment management practices have helped minimise ground water drawal; the Company is among few industry players to engage in extensive water treatment (almost 70-80% of its process water is recycled).

Quality: The Company has earned respect for its quality manufactured output, resulting in a premium for sugar and complete compliance as far chemistry benchmarks are concerned on the ethanol side.

Technological upgradations

At Dwarikesh, we embarked on prudent investments in state-of-the-art technologies that ensured that the utilisation of the Company's assets were maximised. This reduced per unit output cost, strengthening the Company's competitiveness.

- On the milling side, the Company made improvements in all units. The size of rollers was increased; couch type rollers and semi couch type rollers were used with nozzles to facilitate juice drainage.
- Decanters were installed in all units to handle sludge and reduce environment impact.
- Down time was moderated through technology upgradation; the Company used false block hammers.

Initiatives, FY2021-22

- The Company undertook a stoppage analysis and planned remedial measures to reduce downtime.
- The Company undertook hedging analysis of boilers by external agencies to forecast stoppages.
- The Company undertook initiatives to divert more molasses towards ethanol.
- The Company reduced steam consumption, enhancing power saving.

Achievements, FY2021-22

- The Company achieved all its targets including reduced downtime, lower plant and mechanical stoppages and average cane crush rate.
- The Company improved sugar quality from around 100 ICUMSA to 85 ICUMSA across its manufacturing units.
- The Company's units figured among the top five of Uttar Pradesh's 120 sugar mills in efficiency and compliance benchmarks.
- The Company's Bundki and Afzalgarh plants operated for an average 200 days each (industry benchmark 180 days).

Outlook, FY2022-23

The Company intends to implement better sanitisation to enhance product quality and raise benchmarks in terms of product quality and sugar recovery.

Recovery

11.85

% gross recovery across all three plants (up to 31/3/2022), SS 2021-22

12.32

% gross recovery across all three plants, SS 2020-21

Sugar sacrifice (in favour of ethanol)

>58,000

MT, sugar sacrificed, SS 2021-22

>36,000

MT, sugar sacrificed, SS 2020-21

Strengthening our building block for sustainable growth

Overview

At Dwarikesh, our multi-decade experience has been derived from a growing cane availability from thousands of farms across our command areas. This warrants an engagement with tens of thousands of farmers, addressing diversified farmer mindsets, servicing diverse farmer risk appetites and countering a range of awareness issues. The success of the Company's emphasis was reflected in more cane being planted, protected and harvested, validating the success of the eco-system.

The Company's cane management competence was reflected in the following achievements:

- Cane procurement grew at an average of 3.73 % per annum in the decade ending SS 2020-21.
- Cane crushing increased 14.12 lakh tonnes over the last ten seasons ending SS 2020-21.
- Cumulative cane procurement was ₹8,496.81 crore in the decade ending SS 2020-21.
- Cane procurement increased from ~ 0.83 lakh farmers in 2010 to an estimated ~1.51 lakh farmers in 2021-22.

Volume procurement

22.46
MT, quantum of cane crushed, 2015-16

37.39
MT, quantum of cane crushed, 2021-22

Value procurement

602.78
₹ crore, value of cane crushed, 2015-16

1,336.92
₹ crore, value of cane crushed, 2021-22

Challenges and counter-initiatives

Heavy rainfall On account of heavy rain and consequent flooding in October 2021, the Company was compelled to shut operations for nearly 10 days.	**Mitigation** The Company resumed operations and made arrangements for cane following interventions through efficient team management.
Second COVID-19 wave The pandemic resurgence affected plant working.	**Mitigation** Adequate sanitisation and social distancing helped the Company enhance precautionary measures.

Strengths

The Company's cane management comprised an alignment with government guidelines, cane centre communication, periodic scheduling, seamless inventory management, timely procurement and prompt payment.

The Company planted nurseries across 170 villages, projected to grow from a hectare each to ten hectares in a year and ten times that size two years from now, strengthening the propagation of advanced cane varieties that will help broadbase the Company's varietal mix.

The Company continued to remunerate farmers within a week of procurement, eliminating cane arrears and enhancing farmer trust.

Nature of engagement

The Company encourages farmers to plant more cane through consistent cane development and cane marketing.

Cane development: The Company utilised two-thirds of its sugarcane in crushing, the rest allocated for sowing and chewing. It educated farmers and sowers in plantation and ratoon management. It launched the e-Mitra app through which the farmers monitored the status of their cane plantation and payments; queries were addressed immediately. This helped more than double farmer output, validating the Company's conviction. The Company engaged in farmer training around modern cultivation technologies, control of insects, pests and diseases, fertilisers and manure management, scientific cane harvesting and ratoon management practices. In addition to digital media (SMS and Telegram) messaging, the Company organised village-level groups, zone-level meetings, while circulating pamphlets, brochures and leaflets. Besides, the technical field members of Dwarikesh (including scientists) visit farms to motivate the farmers in proactive adoption of modern practices. The Company arranged for the delivery of prominent cane varieties suitable (Co-0118, Co 15023, CoS 8272 and CoS 13235) that could be used in the respective cane nurseries for observation and validation, promising robust growth.

Cane marketing: Cane was made available at our centre and crushed at our manufacturing facilities. The Company arranged for necessary labour and transportation. The Company instilled a video system within its manufacturing facility to enhance operational seamlessness. The Company communicated digitally to farmers, ensuring timely cane supply, weighment and payment, enhancing systemic confidence.

Outlook

At Dwarikesh, we seek to increase cane availability and, in line with this plan, will seek to increase need-based crushing capacities in the forthcoming sugar season.

PEOPLE MANAGEMENT

How we strengthened our talent management

Overview

Competent talent management represents the fundamental difference between companies within the sugar industry. The greater the investment in experience, knowledge, exposure, delegation and empowerment, the stronger a company's competitive advantage.

At Dwarikesh, this commitment to invest in talent catalysed a culture of outperformance, making it possible to commission capacities quicker than the sectorial average, operating facilities at a higher efficiency and reporting relatively lower costs.

Our HR policy

At Dwarikesh, the human resource focus is on talent recruitment, renewal and retention. The average employee age at the Company was 43.65 at the close of the year under review; the average employee tenure at the Company was more than 10 years, indicating valuable experience and exposure. The Company focused on holistic employee development, health and safety.

Talent management initiatives

The Company addressed the psychological needs of employees through various initiatives. The Company addressed the 'non-job' needs of employees in addition to an operational focus. Among the various initiatives, the Company's employees were encouraged to participate in CSR activities, enhancing their life clarity and self-esteem. The Company addressed employee issues at the grassroots level with speed and sensitivity. The Company invested in suitable facilities, amenities and tools to enhance workplace effectiveness coupled with a fair job appraisal system, timely increments and a suitable recognition system.

Initiatives, 2021-22

The Company provided housing facilities to employees and their families across all three manufacturing units, enhancing well-being and convenience.

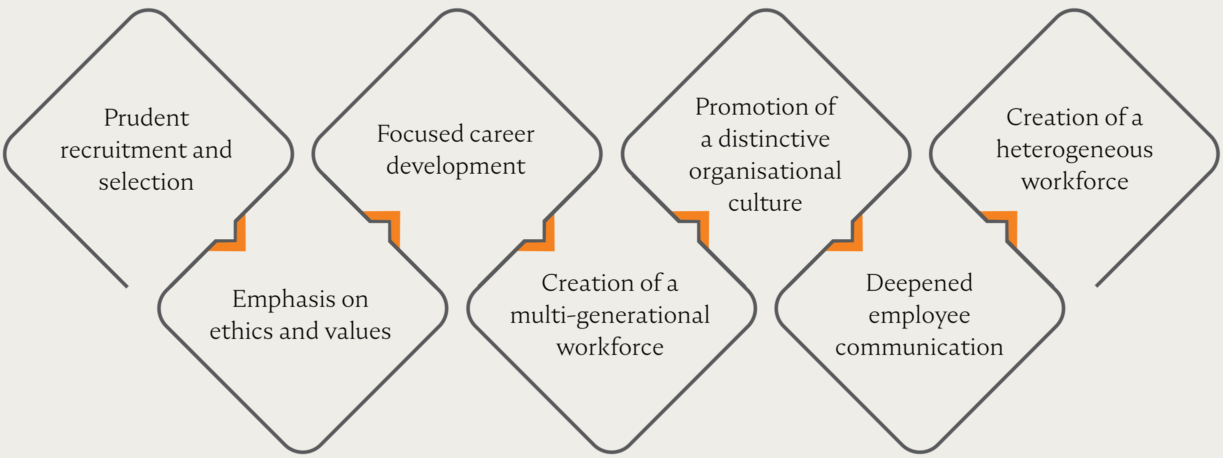
The Company arranged training programs by external faculty on a range of subjects, strengthening an awareness of best practices; this was extended to vendors and suppliers as well.

The Company recognised longstanding service awards - 10, 20 and 25 years – for workers, felicitating nearly 100 during the year under review.

Outlook

The Company intends to deepen skill development, strengthen behaviourial and inter-personal capabilities and defining career paths deeper for individual and organisational clarity.

Our talent management priorities



Our employee pool

2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1,650	1,700	1,703	1,781	1,765	1,770

Employees by gender

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Male	1,635	1,681	1,683	1,762	1,746	1,752
Female	15	19	20	19	19	18

Employees by age group

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
22-35	440	452	420	456	440	429
36-45	662	653	635	612	596	576
46-60	548	595	648	713	729	765

Employees by educational profile

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Graduates	513	522	515	541	539	543
Masters	189	194	197	199	198	201
Engineers	61	74	78	100	102	108
MBAs	18	19	19	22	23	25
Chartered accountants	2	2	2	3	3	3

Employee retention (%)

2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
88.93	88.45	87.39	90.64	95.25	93.67

Employee cost as a percentage of total revenues

2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
6.01	4.85	6.53	5.90	5.04	4.88

Employees by tenure

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
More than 5 years (as % of total)	62.84	70.35	71.87	71.75	73.65	74.40

Health and safety incidents

2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
9	9	5	8	10	9

HEALTH-SAFETY-ENVIRONMENT

How we protected the environment through responsible HSE standards

Overview

There is a growing recognition of the role of sustainable business practices in corporate success. The safer a company's product and operations, the bigger the employee confidence and the stronger its productivity. A new dimension has emerged in the last decade: environment respecting companies are also being appraised better by rating agencies, strengthening their respect.

The result: a greater focus on sustainable manufacture, which comprises the manufacture of products through economically sound processes that moderate the consumption of energy and natural resources while reducing environmental impact, in addition to enhancing safety for employees, communities and products.

There is now a growing emphasis on aligning business success with United Nations' 10 principles for manufacturing responsibility and environmental sustainability covering human rights, labour interests, environment responsibility and anti-corruption initiatives, the basis of responsible citizenship.

Our corporate approach

At Dwarikesh, our overarching focus lies in consuming less and manufacturing more while minimising environment impact. It is our conviction that the most successful, profitable and sustainable companies are those benchmarked in line with the most stringent environment standards.

As a responsible company, we have consistently professed the highest standards related to employee and community health cum safety, coupled with environment protection, enhancing value for all our stakeholders. The result is that the Company's operations have been pivoted around the 4R's – recycling, replacement, reduction and renewables. This commitment has been reinforced by an Environment Management Cell (presided by the Head of that manufacturing unit). The Company trains workers engaged in managing hazardous functions, enhancing their awareness of the hazards with the objective to minimise their incidence. The management conducts periodic plant and safety inspections, coupled with audits to enhance process effectiveness and compliance.

Index of responsibility

The Company engages extensively and periodically with relevant authorities to meet their legal obligations.

The Company instilled a behavioural safety program across its manufacturing facilities, enhancing the safety of that unit.

The Company equipped its manufacturing facilities with medical and first aid support.

The Company created medical hospitals in two of manufacturing units and the presence of a full-time doctor in the third facility, addressing medical problems with speed.

The Company ensured the responsible disposal of solid, liquid and gaseous wastes in line with environmentally responsible guidelines.

The Company provided suitable and adequate equipment to its employees to address process effluents.

The Company did not discharge liquid effluents outside any of its factories, emphasising the cleanliness of its operations.

The Company provided environmental compliance data to customers and suppliers in addition to employees and communities.

The Company established and implemented environment practices in line with the principles of this policy and local regulations.

The Company monitored the ambient air quality at is manufacturing plant, carrying out stack emission tests.

The Company tested noise levels within and outside its factories to establish that they were within permissible limits.

The Company disposed boiler ash in an environment-friendly manner through bio-composting and/or the manufacture of manure following blending with press mud.

Investments

The Company arranged periodic training for employees, enhancing its awareness of environment integrity.

The Company responded with various measures to control ambient air quality and stack emissions.

The Company developed a green and clean environment within each of its manufacturing facilities.

The Company adopted rural ponds and invested in a rainwater harvesting system, raising the groundwater table.

The Company arranged for an annual health checkup for all employees. A regular three-month checkup was provided for workers engaged in the distillery unit.

Water management

At Dwarikesh, water conservation is a priority. Through the years, the Company invested to maximise water conservation and enhance the availability of this finite resource for neighbouring communities: it cooled the excess condensate reused in the process cooling tower, moderating the consumption of freshwater. The Company installed a CPU plant in the distillery, its treated water being reused. The water let out in drainage was recovered through the sewage treatment plant (STP).

The Company was one of the first in the Indian sugar industry to invest in cutting-edge cooling tower treatment technology to minimise water depletion and remove zinc, chromates and carbonate from processed water. The quantum of water treated by the Company increased from 10% to 100%.

Energy management

The Company invested in advanced equipment to consume optimal electricity. As a long-term hedge, the Company generated its proprietary renewable (co-generated) power. During the year under review, the Company consumed 1,418 lakh units within its system and sold 1,595 lakh units to the state electricity grid. The Company shifted from the use of incandescent lights to the LED equivalent for enhanced power saving. The Company installed solar energy panels in R. R. Morarka Public School as well, facilitating green energy consumption.

Emission reduction

The Company made use of the released emissions with bagasse to operate its distillery unit. It invested in advanced bag filter technology for boiler flue gas treatment. It achieved all the norms stipulated by MOEF. It installed an eletro-static precipitator, wet scrubbers and bag filters to moderate ambient air pollution arising out of suspended particulate matter (benchmark below 150 PPM and target below 100 PPM). It commissioned sewage treatment plants across its units (equalisation tank, sewage tank and an aeration tank, among others). It conducted periodic seminars during the non-crushing season to educate employees on environmental policies. It employed 56 individuals (21 operators, 9 chemists, 24 helpers and 2 managers) to institutionalise environment compliance initiatives. The Company also planted saplings on World Environment Day, covering 40% of the approximate plant area. The Company planted 12,500 saplings in its Group units and approximate 16,000 saplings in proximate villages on farmers' fields. The Company provided saplings to farmers and paid them transplanting charges.

Effluents management

Sugar manufacture is marked by effluents generation. As a responsible company, the Company invested in processes and plants to minimise any release of effluents into the open. The Company treated sugar mill and distillery effluents. More than ₹50 crore was invested in incinerators and other ETP equipment to moderate effluents discharge.

During the commissioning of the 100 KLPD distillery plant, the Company invested in cutting-edge technology for effluents treatment and air quality preservation. The zero effluents treatment unit was complemented by continuous distillation under vacuum to minimise spent wash to 8 kl per kl of alcohol production; the spent wash was concentrated in a multi-effect evaporator; the slop generated was fed to the boiler as fuel. The condensate of the evaporator was treated in the Condensate Polishing Unit to ensure that the treated water quality was good for fermentation and use in the cooling towers. The Company achieved zero effluents discharge; its minimal freshwater withdrawal (5.5 kl per kl of alcohol produced) was considered an industry benchmark.

In a related development, the Company's distillery was equipped to operate for 80 additional days following the installation of an incineration boiler, generating an attractive investment payback.

The Company invested in installation boilers used in the zero discharge facility. It installed an effluent treatment plant in 2017 to eliminate sulphur content in water.

Green cover

The Company invested in green cover across 40% of the factory area, enhancing the ambience environment and increasing green cover by 2% to 35 hectares in 2021-22.

Safety measures

The Company entered into alliances with health care providers for employees' medical treatment. These alliance partners comprised Jolly Grant Hospital (Dehradun), Max Hospital (Delhi) as well as Najibabad and Bijnor hospitals. Besides, the Company's factories were reinforced with first-aid facilities managed by trained personnel.

Water

Water consumption per kg of sugar

0.079 Litres in 2020-21

0.083 Litres in 2021-22

Water consumption per Kl of ethanol

6.52 Litres in 2020-21

4.25 Litres in 2021-22

Water consumption per kwh of co-generated power

1.929 Litres in 2020-21

1.338 Litres in 2021-22

Chemicals

Chemicals consumption per kg of sugar

0.19 kg in 2020-21

0.29 kg in 2021-22

Chemicals consumption per Kl of ethanol

240 kg in 2020-21

314 kg in 2021-22

Benchmarks		Achievements	
Benchmark BOD of treated water	≤ 30 PPM	BOD achieved	< 8
Benchmark COD of treated water	≤ 250 PPM	COD achieved	< 30
Benchmark Suspended Solids of Treated Water	≤ 30 PPM	Suspended solids achieved	< 20

Water consumption (cubic metres per tonne)

2017-18	2018-19	2019-20	2020-21	2021-22
0.71 KL/Tonne	0.78 KL/Tonne	0.78 KL/Tonne	0.79 KL/Tonne	0.83 KL/Tonne

Water recycled, kl per hour

2017-18	2018-19	2019-20	2020-21	2021-22
29	30	30	31	29

CORPORATE CITIZENSHIP

How we protected the communities in the vicinity of our presence

Overview

At Dwarikesh, we are driven by the ideal of responsible corporate citizenship. The result is that on the one hand, we make products that are needed by the world (sweetener, clean fuel and clean energy) and on the other, we enrich communities proximate to our manufacturing facilities.

The Company's CSR engagement is defined by a formal policy implemented under the guidance of a focused committee and involvement of the senior management. The outcomes of these programmes are periodically tracked and escalated to the Board of Directors each quarter.

The Company did not spread its attention and resources thin but focused on specific intervention areas (healthcare, education, women empowerment, rural and livelihood management). These engagements were driven by the aim to mitigate poverty, unemployment and social inequity.

Education and livelihood

Sewa Jyoti: The Company focused on the development of its girls school under the R. R. Morarka Charitable Trust.

Scholarships to the needy and meritorious: The Company identified meritorious students through scholarships, encouraging them to sustain their studies, remunerating them for education expenses that prevented them from dropping out. The initiative benefited about a thousand girls.

Scholarships to class toppers: The Company incentivised academic outperformance by addressing education expenses on the basis of capability.

College construction: The Company provided education to 4900 students in Shree Radheshyam R. Morarka Govt. College during the year under review.

Education and livelihood to orphan kids: The Company 'adopted' 10 students during the year, providing them education, livelihood and entrepreneurship skills.

Mahila Vikas: The Company helped in the creation of 200 rural self-help groups proximate to manufacturing facilities to assist women with livelihoods.

Health

Cataract operation: The Company organised a free camp in collaboration with Sahai Eye Hospital and Research Center (Jaipur) for cataract interventions. The Company addressed the cataract operation needs of 2208 villagers around Jaipur.

COVID-19 awareness: The Company organised programmes in 23 villages among 519 community members over the significance of use of masks, social distancing and regular hand washing.

Food kit distribution: The Company distributed 500 food kits at the worst juncture of the second wave of the COVID-19 pandemic.

Mask distribution: The Company distributed several thousand masks in the presence of the Health Department during the year under review.

Community engagement: The Company increased its CSR engagements through funding and oxygenators supply to counter the pandemic.

Agriculture

Kisan Club: The Company serviced five Kisan clubs and 580 members through subsidy and other schemes of Agriculture Ministry and other related ministries of the State & Central Governments for farmers.

Women farmer's exposure visits: The Company organised exposure visits to dairy farms for women farmers, exposing them to new technologies of crop diversification.

Self Help Groups: The Company formed 212 SHGs comprising 2266 members, generating savings worth ₹1.96 crore and helping them access bank credit of ₹3.62 crore to finance micro entrepreneurs among SHGs.

Micro-enterprise development training: The Company provided micro-enterprise development training to women on the making of pickles and disposable plates, beautician course, tailoring, dairy and goat farming. Around 150 women in goat farming, 180 women in agarbatti making, 150+ women in tailoring and 90 women in bag and paper craft were trained, thus empowering them to support their families.

Outlook

At Dwarikesh, we seek to continue our intervention in the income generation for women. Moreover, regarding our educational facilities, our job does not stop right after the admission of kids. We focus and will continue to focus on the holistic development of the kids.

We will also improve on our rainwater harvesting methods for water conservation.

Snapshot

- Identification of people in need
- Helping them learn self-employable and entrepreneurship skills
- Enhancing community engagement
- Providing education
- Generating livelihood income

Management discussion & analysis

Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from US$ 50.37 per barrel at the beginning of 2021 to US$ 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting countries and moderating growth in importing nations. Global FDI reported an increase from US$929 billion in 2020 to an estimated US$1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalyzed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, food-grains, fertilisers and gold.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	Opening balance	Closing balance
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States: The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

China: The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020 despite it being the novel coronavirus epi-center.

United Kingdom: The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

Japan: The country reported growth of 1.7% in 2021 following a contraction in the previous year.

Germany: The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020.

(Source: World Bank, IMF, Business Standard, Times of India)

Indian economic overview

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounding from a de-growth of 7.3% in 2020-21 to a growth of 8.6% (E) in 2021-22. By the close of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China), its market size at around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

Y-o-Y growth of the Indian economy

	FY19	FY20	FY21	FY22
Real GDP growth (%)	6.1	4.2	(7.3)	8.6 (E)

(Source: India Ratings, E: Estimate)

Growth of the Indian economy, 2021-22

	Q1, FY22	Q2, FY22	Q3, FY22	Q4, FY22
Real GDP growth (%)	20.1	8.4	5.4	4.8 (E)

(Source: NSO, E: Estimate)

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6% in the last quarter of 2020-21, the Indian economy grew 20.1% in the first quarter of 2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses recorded volumes of 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of 371.47 million tonnes. Moreover, based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in 2021-22 is anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5%, the agriculture sector 3.9%, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in 2021-22.

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

Foreign direct investments (FDI) in India increased 1.95% to US$83.57 billion in 2021-22 from US$81.72 billion in 2020-21, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed the ₹88,000 crores target set for asset monetisation in 2021-22, raising over ₹97,000 crore with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year ₹6 lakh crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received US$ 87 billion during 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of US$ 642.45 billion as on September 3, 2021, crossing US$ 600 billion in FOREX reserves for the first time.

India's currency weakened 3.59% from ₹73.28 to ₹75.91 to a US dollar through 2021-22. The consumer price index (CPI) of India stood at an estimated 5.3% in 2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 standing at ₹1.42 lakh crore, which is 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹51,000 crores in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of US$3.21 trillion in March 2022.

The fiscal deficit was estimated at –₹15.91 trillion for the year ending March 31, 2022 on account of a higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from ₹1.29 lakh in 2020-21 to ₹1.50 lakh in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record ₹27.07 lakh crore in 2021-22 compared with a budget estimate of ₹22.17 lakh crore. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in 2020-21 to 11.7% in 2021-22, the highest since 1999.

Retail inflation in March at 6.95% was above the RBI's tolerance level of 6% but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Indian Economic Reforms and Budget 2022-23 Provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasising the role of PM Gati Shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from ₹5.54 lakh crore to ₹7.50 lakh crore. The effective capital expenditure for FY23 is seen at ₹10.7 lakh crore. An outlay of ₹5.25 lakh crore was made to the Ministry of Defense, which is 13.31% of the total budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly ₹20,000 crore was made for the PM Gati Shakti National Master Plan to catalyze the infrastructure sector. An expansion of 25,000 km was initiated for 2022-23 for the national highways network. To boost the agricultural sector, an allocation of ₹2.37 lakh crore was made towards the procurement of wheat and paddy under MSP operations. An outlay of ₹1.97 lakh crore was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

Outlook

India's medium-term optimism is derived from the fact that three down cycles – long-term, medium-term and short-term – could well be reversing at the same time. The long-term downtrend, as a result of nonperforming assets, scams and overcapacity could be over; the medium-term downtrend that was caused by the ILFS crisis, select banks collapse and weakening NBFCs could well be over; the short-term downtrend on account of the pandemic has weakened following the acceleration of the vaccine rollout.

There is a possibility of each of these downtrends having played out, which could well lead to a multi-year revival in capital investments. Some US$ 500 billion worth of investments are expected to be made in the wind and solar infrastructure, energy storage and grid expansion.

The Indian economy is projected to grow by 8% in FY23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favorable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹5 trillion. Besides, the government's production linked incentives (PLI)–led capex should generate an incremental ₹1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles. However, the ongoing conflict between Russia and Ukraine could derail targets and stagger revival; a spurt in crude prices could enhance the country's import bill, domestic inflation and higher interest rates.

Global sugar sector overview

As per International Sugar Organisation in February, global sugar production for the marketing year 2021-22 was estimated at 170.5 million tonnes, a marginal increase of 1.5 million tonnes over the preceding season. There was a reduction in sugar production in Brazil, which was expected to counter-balance gains in the European Union, India, Russia and Thailand.

The global consumption of sugar was estimated at 172.4 million tonnes in 2021-22, growing marginally over 171.3 million tonnes in 2020- 21, following consumption growth in China, India and Russia. Sugar exports were expected to remain flat; a steep rise in India and Thailand trade was offset by lower shipments from Brazil. Global sugar exports were estimated at ~58 million tonnes during 2021-22 compared to 62 million tonnes in the previous year. Stocks were expected to remain low on account of a production decline in China, Indonesia and Thailand.

Production and exports were seen rising to record levels in India. The higher production and exports from India could counter the lower production and exports from Brazil. The small estimated global deficit could turn into a small surplus. A spurt in crude prices strengthened sugar prices as Brazil following increased ethanol in its production matrix. A clear picture could emerge only after the India sugar season has ended even as the country emerged as a key global sugar trade player; Sugar prices could retreat if there is an easing of supplies from Brazil.

The principal driver of the global sugar market is the geo-political tension following the Russian invasion of Ukraine. On account of a severe impact on energy prices, production cost and potential land diversion from beet to grain, the conflict support sugar realisations.

The global sugar production/ consumption comprised two successive deficit years (relatively small) that moderated stocks at the origin and destination. Realisations strengthened across a number of countries; import parities emerged. The raw shipment on Q1, 2022 hit a record, around 30% higher than the average of the five previous years. The Ukraine invasion and geopolitical situation enhanced market uncertainty by the close of the financial year under review.

Going forward, a range of geo-political factors could influence global sugar realisations. These factors could comprise changes in realisations of agricultural commodities like wheat, land diversion from beet to wheat in Europe, lower corn ethanol production in Brazil, higher Brazil ethanol exports, higher energy cum fertiliser costs and capacity to sow beet in Ukraine for the 2022/23 crop.

These realities could strengthen realisations and influence consumption, moderating demand from one perspective and enhancing stocking on the other to counter market uncertainties.

(Source: USDA, S&D Sucden)

World Sugar Balance as per ISO Report of February, 2022 (in thousand tonnes, tel quell)

	2021/22(E)	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Production	170,512	169,032	169,057	174,134	179,828	169,073	163,825
Consumption	172,440	171,326	169,180	169,608	170,420	172,683	170,287
Surplus/deficit	-1,928	-2,294	-123	4,526	9,408	-3,610	-6,462
Import demand	58,053	62,789	66,193	57,941	63,509	65,582	66,935
Export availability	58,257	62,754	65,926	57,941	63,460	65,442	66,943
End stocks	94,425	96,550	98,809	98,665	94,140	84,683	87,483
Stocks/consumption ratio in %	54.76	56.35	58.40	58.17	55.24	49.04	51.37

Overview of major sugar manufacturing geographies

Brazil: The global sugar production/ consumption recorded a decline for two years in a row (2020/21 and 2021/22). This decline could deepen if sugar becomes less remunerative than ethanol for millers. Sugar production in Brazil was estimated to reduce by 6.1 million tonnes to 36.0 million tonnes on account of dry weather and frost, which has influenced global sugar supply and realisations. About 46% of the sugarcane crop is expected to be processed to manufacture sugar and 54% utilised for ethanol manufacture. Sugar consumption was expected to report a moderate decline with stocks remaining largely unchanged; exports were expected to report a sharp decline due to lower supplies.

The rainy season in Brazil began in October and was in line with the long-term average even as timeliness and geographical distribution remained irregular. The inventory decline as a result of deficits strengthened domestic realisations and demand in the last few months. Combined with the decline in cane crop in Brazil CS in 2021/22 and delay in cane development, the CS intercrop trade flows tightened, despite larger Thai and Indian exports.

The white sugar market benefitted from enhanced demand in the last few months. The lower availability of CS Brazil crystals in 2021/22 pushed the Western Hemisphere towards a sugar deficit even as the Eastern Hemisphere remained sugar-surplus given the competitive Indian crystal sugar export and lower raw feedstock for coastal refiners.

Thailand: This country's sugar production was expected to rebound by nearly a third to 10.0 million tonnes on account of increased harvested area, greater sugarcane yields and favorable weather. The Thai Meteorological Department reported that the average precipitation was 5-7% above average during the sugarcane tillering and elongated growth phase in key growing areas. Sugar consumption was expected to rise due to enhanced demand in direct sugar consumption and food services. Sugar exports were expected to more than double following production recovery while stocks were estimated to decline from the 2020-21 level due to increased export. Raw sugar exports in Thailand focused on remunerative destinations like Indonesia and South Korea, although the latter also operated from Central America.

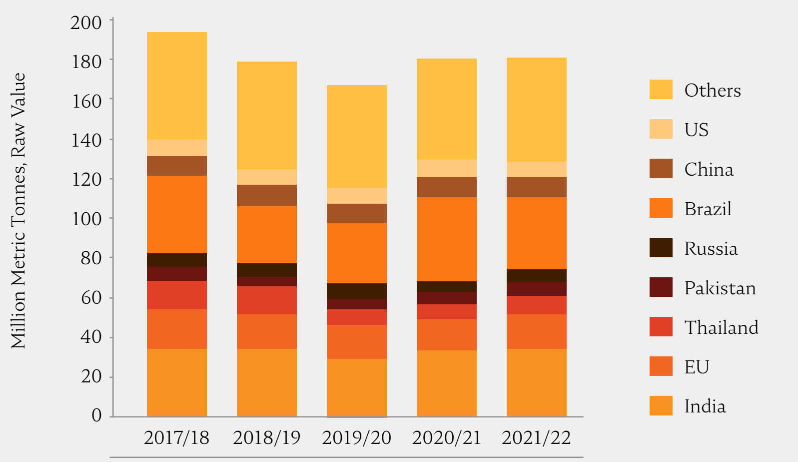
US: US sugar production was expected to be at a record 8.4 million tonnes as beet sugar production was estimated to be at a historical high. Sugar consumption was expected to increase slightly towards record levels. Sugar imports reduced 5% on account of projected quota programs and the calculation of US needs as defined in the US-Mexico Suspension Agreements. Closing stock was expected to increase as higher production and opening stocks offset lower imports.

China: China's sugar production was estimated at 9.7 million tonnes, a five-year low, on account lower sugar beet production due to a reduced cultivation area. The China beet crop reduced sizably due to a lower planted area, with grain becoming more profitable for farmers. The harvest in the cane area also lagged year-on-year with a lower extraction rate. Consumption was estimated to increase 2% as economic development influenced consumption patterns. Imports were lower as stocks were estimated to reduce to address increased consumption.

The European Union and the UK: The European Union and UK reported a decent performance in SS 2021/22 despite a cold summer. Sugar production was expected to reach about 17 million tonnes. Exports would be limited to captive markets.

Russia: Sugar production was estimated at 5.6 million tonnes, inadequate to match domestic consumption. Stocks declined after two disappointing crops in a row. Russia set up an import quota, but the geopolitical situation and sanctions could prevent the full quota from being utilised.

Global sugar production of key sugar producing countries

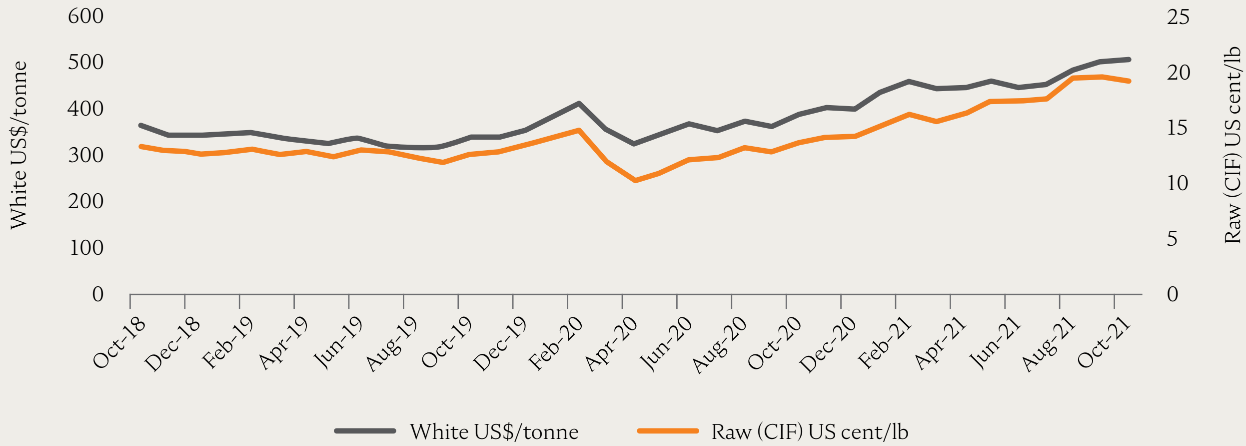


Global sugar realisations

International sugar prices, despite being volatile, were upwardly mobile for more than a year and in October 2021 were more than 40% above the level achieved a year earlier. Price enhancements were supported by concerns over moderated output in Brazil between a robust global demand for sugar. Increased ethanol prices in Brazil offered support to international sugar prices, as they promoted increased use of sugar cane for the production of ethanol and created a relative under-supply for sugar.

A right sugar supply in the global market influenced a rise in international sugar prices towards a four-year high. Global sugar prices (raw sugar) recovered from a low of 10.2 cents/lb in April 2020 to 16.5 cents/lb in May 2021. The initial rise was on account of the unlocking of global economies and improved sugar demand following the pandemic. As per industry estimates, the expectation of a global deficit reflected in a strong rally in sugar and white sugar prices (increased to more than 19 cent/lb in October 2021 and trading at those levels from August 2021 onwards, sporadically trading below 19 cents, occasionally breaching 21 cents mark and every now and then breaching the 20 cents mark). (Source: care ratings.com, Economic Times)

International sugar price trend



Source: CMIE and CARE

Indian sugar industry overview

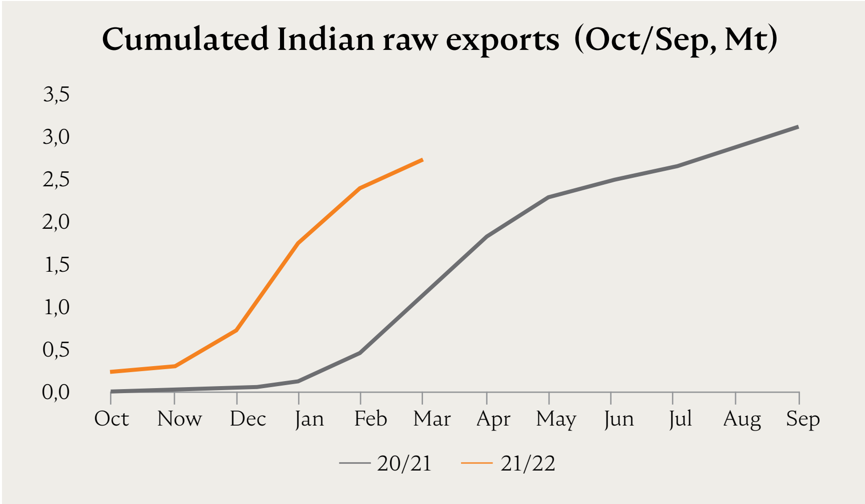
Estimate of total production was revised several times and the total production in 2021-22 season is now estimated at 350 lakh tonnes as compared to that of 311.92 lakh tonnes produced in the previous year. Closing stock as percentage of offtake is estimated at 24.80% as compared to 30.80% last year. Considering an opening stock of 81.86 lakh tonnes as on 1st October 2021, India's consumption of 274 lakh tonnes, sugar exports of 90 lakh tonnes and an estimated production of 350 lakh tonnes, the closing stock of sugar in India as on 30th September, 2022 is placed at 67.86 lakh tonnes.

Total acreage under sugarcane in the country was placed at nearly 54.55 lakh hectares in 2021-22 Sugar Season (SS), 3% higher than the 2020-21 sugar season cane area of nearly 52.88 lakh hectares. Sugar consumption improved, marked by higher sales of ice cream, bakery, confectionary, sweets, processed food and beverage products as consumers became more comfortable dining out following the COVID-19 second wave and stronger vaccination rollout. India's largely unorganised catering segment, one of the largest sugar consumers, also recovered following a larger number of weddings, catering assignments and other events. India's unorganised grocery segment remained largely resilient to the pandemic shock, sustaining sugar offtake (as packaged sugar accounted for only 4% of overall sugar sales).

Uttar Pradesh, Maharashtra and Karnataka accounted for 85% of

India's total sugar production. India has withdrawn its sugar export subsidies for the marketing year 2021-22. Despite the retraction of subsidies, India's sugar export is now estimated at ~9 million tonnes on account of lower global supplies and rising sugar realisations.

India's total exports in the 2021-22 season was estimated at 90 lakh tonnes compared to 71.91 lakh in the previous year. Raw exports increased year-on-year to the Malaysia, Bangladesh, Far East and also Middle East with a large part of the Indian surplus now exported.



Within India, sugarcane area in Uttar Pradesh was placed at 23.08 lakh hectares compared to 23.07 lakh ha. in 2020-21 SS. Indian Sugar Mills Association anticipated a marginal yield decline coupled with lower sugar recovery due to disproportionate rain. The expected sugar production, after considering diversion for the production of ethanol, was estimated at around 102 lakh tonnes in 2021-22 SS on account of lower crushing, lower recoveries and higher diversion for ethanol.

Cane area in Maharashtra increased 11% to 12.75 lakh hectares in 2021-22 SS as against 11.48 lakh hectares in the previous year. In 2021, pre-monsoon rainfall in Maharashtra was good followed by substantial rainfall in June 2021. Following this, reservoir levels in most of regions were reported normal level. Sugar production in Maharashtra was estimated at ~130 lakh tonnes in 2021-22 SS after diversion towards ethanol.

Karnataka's sugarcane area marginally increased to 5.11 lakh ha in 2021-22 SS compared to 5.01 lakh ha in 2020-21 SS. Sugar production was estimated at around 60 lakh tonnes, after diversion of sugar to ethanol. The normal monsoon in 2021 and sufficient water level in reservoirs and standing crop condition were expected to drive Karnataka's sugarcane production.

The states of Tamil Nadu, Haryana, Madhya Pradesh, Bihar, Uttarakhand, Andhra Pradesh, Telangana, Punjab, Chhattisgarh, Rajasthan and Odisha were estimated to collectively produce about 58 lakh tonnes of sugar in the 2021-22 SS after diversion towards ethanol.

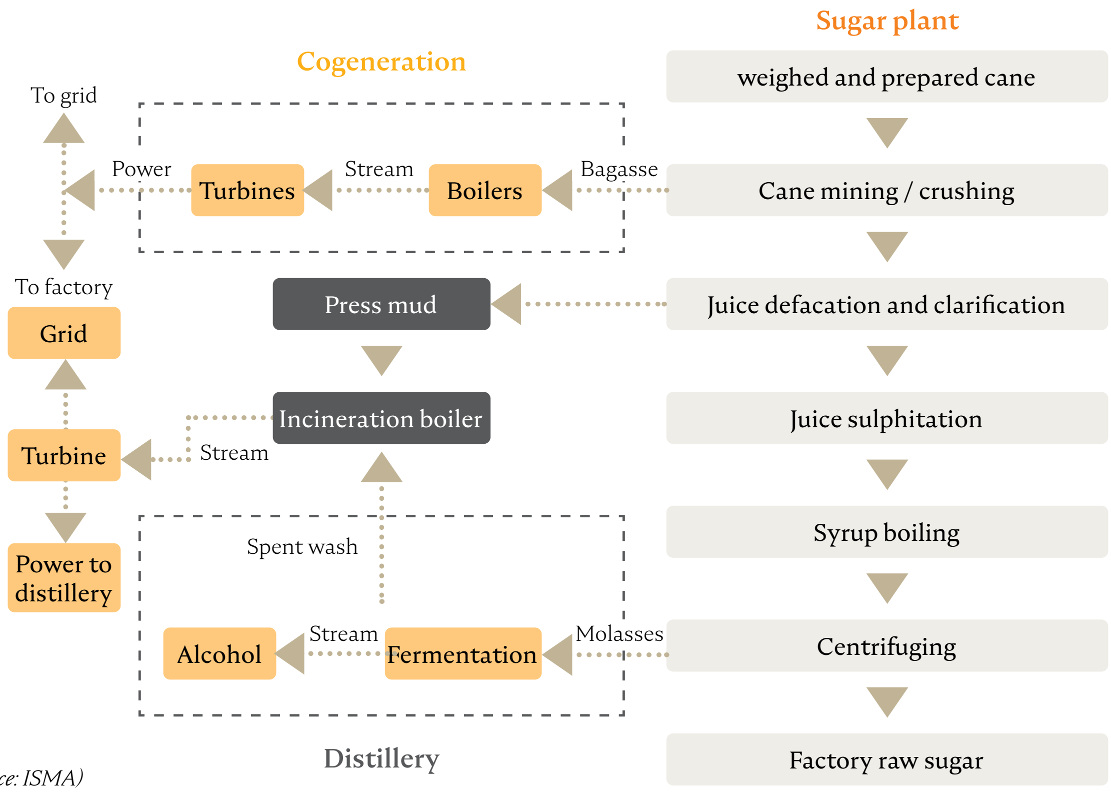
India is anticipated to retain its position as the largest consumer and one of the largest producers of sugar in the world. It has emerged as one the largest exporters of sugar. The government's role in sugarcane pricing to safeguard farmer and miller interests as well as fixing the minimum domestic sugar prices, catalysed sectorial development. (Source: Economic Times, apps.fas.usda.gov)

Domestic sugar Balance Sheet

(lakh tonnes)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22 (P)
Opening Stock as on 1st Oct.	38.76	107.16	145.79	107.40	81.86
Production during the season	324.79	331.63	274.11	311.92	350.00
Imports *	2.15	0.00	0.00	0.00	0.00
Total availability	365.70	438.79	419.90	419.32	431.86
Offtake					
i) Internal consumption	253.90	255.00	253.00	265.55	274.00
ii) Exports *	4.64	38.00	59.50	71.91	90.00
Total offtake	**258.54**	**293.00**	**312.50**	**337.46**	**364.00**
Closing Stock as on 30th September	107.16	145.79	107.40	81.86	67.86
Stock as % of internal offtake	42.2%	57.2%	42.5%	30.8%	24.8%

Sugar and ethanol manufacturing process



(Source: ISMA)

Sugar production and consumption (in million tonnes)

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

(Source: ISMA and Ventura Research)

Catalysts of sugar demand in India

Population growth: India's population is growing at a rate of 0.95% and has reached 1.40 billion in 2022, the highest global population increment. The country is second in the world in terms of population and is expected to surpass China by 2027 to become the most populous country, catalyzing sugar demand. (Source: macrotrends.net)

Growing confectionery sales: By 2025, the sugar confectionery market in India is estimated to reach 4.06 billion US$ (in retail prices), growing at a CAGR of 7.45% per annum for the period 2020-2024, driving sugar demand. (Source: market research.com)

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

SWOT analysis

Strengths

- India is one of the largest sugar producer in the world, more than self-sufficient for its consumption.
- The sugar industry is among India's largest agricultural employers.
- The bagasse from sugarcane produces co-generated power (captive consumption and merchant sale).
- The country is blessed with rich arable land.
- India is one of the world's most economical sugar producers.
- The industry catalyzes rural communities.

Weaknesses

- Most companies use sugar manufacturing technologies that are obsolete as most factories are more than 40 years old.
- Global demand for India's plantation white sugar is relatively low.
- The country is mostly reliant on monsoon rainfall.

Opportunities

- Sugar demand is increasing in India due to a growing population and rising demand.
- There is a large headroom to produce considerably more ethanol.

Threats

- The country may be affected by lower priced sugar imports.
- The excessive dependance on rainfall and transportation costs could affect sugarcane growing.
- Higher production without exports can cause glut in the domestic sugar market.

Uttar Pradesh sugar industry overview

Uttar Pradesh is the largest sugarcane producer in India, accounting for ~51% of the total cultivated area, ~50% of the crop and 38% of the country's sugar production. About a fifth of India's sugarcane mills (119 out of 520) are in this State. The number of distilleries in the State was 75 with a total production capacity of 249.49 crore liters per annum.

In 2021-22 SS, sugarcane area stood at 23.08 lakh hectares compared to 23.07 lakh hectares area in 2020-21 SS. The State is expected to produce around 102 lakh tonnes in 2021-22 SS with. A number of sugar mills in Uttar Pradesh started using B-Heavy molasses as a substitute for the conventional C-Heavy molasses following the ethanol blending program by the Central Government. Sugar mills commenced using cane juice syrup for producing ethanol. In the succeeding years, there could be a transformation in the product mix of sugar mills with a growing proportion of revenues.

Indian ethanol sector overview

Ethanol is a key by-product for integrated sugar mills which realises downstream applications across oil marketing companies that blend ethanol with fuel. Plants in the country increased ethanol production to 3.35 billion liters in 2021 compared to 2.9 billion liters in 2020. The country imported around 85% of its fuel needs and is finding ways to increase ethanol blending to moderate its dependence on imports. India's ethanol blending program could help reduce oil imports, moderate carbon emissions and reinforce sugar mill profitability. India has targeted 20% ethanol blending with petrol by 2025. The country has enough feed stock to produce 10 billion liters of organic chemical compound. By 2025, around 12 billion liters of installed capacity would be required for ethanol production, the country looking at 6- 6.5 billion liters of installed sugarcane capacity, 5-5.5-billion liters capacity of grain or corn side interventions, resulting in a total of 12 billion liters of ethanol.

Some sugar companies established dual-feed ethanol plants to utilise corn and grain in addition to sugarcane and molasses. Adequate capacities are anticipated to produce and supply around 10 billion litres of ethanol by 2025. The Central Government increased the procurement price of all three categories of ethanol produced from different sources by 1.27-2.55% for the 2021-22 season. The Cabinet Committee on Economic Affairs left the purchase price to the oil public sector undertakings to determine the price for ethanol produced from second generation sources (broken unused rice, wheat and corn).

India's fuel ethanol consumption is expected to reach 4.59 billion liters in marketing year 2021-22 compared to 3.17 billion liters in the marketing year 2020-21, enhancing blending to 10%.

In a decisive initiative, the government of India advanced the target for 20% ethanol blending in petrol (also called E20) from 2030 to 2025. E20 is expected to be rolled out from April 2023, expected to moderate the country's oil imports and carbon footprint.

The Central Government proposed a gradual rollout of ethanol-blended fuel to achieve E10 fuel supply by April 2022 and a phased rollout of E20 from April 2023 to April 2025. The government intends to achieve an ethanol blending target of 10% in the current ethanol supply year of 2021-22. In the ethanol supply year of 2020-21 (December-November), a record 3.03 billion litres of ethanol was supplied by distilleries to OMCs compared to 0.38 billion litres with blending levels of only 1.53% in 2013-14.

Ethanol blending (%) under EPB Scheme

Year	Blending rate (%)
2015	3.0
2016	4.3
2017	2.4
2018	4.0
2019	4.5
2020	5.0
2021	8.1
2022	10.0
2025 (Estimated)	20.0

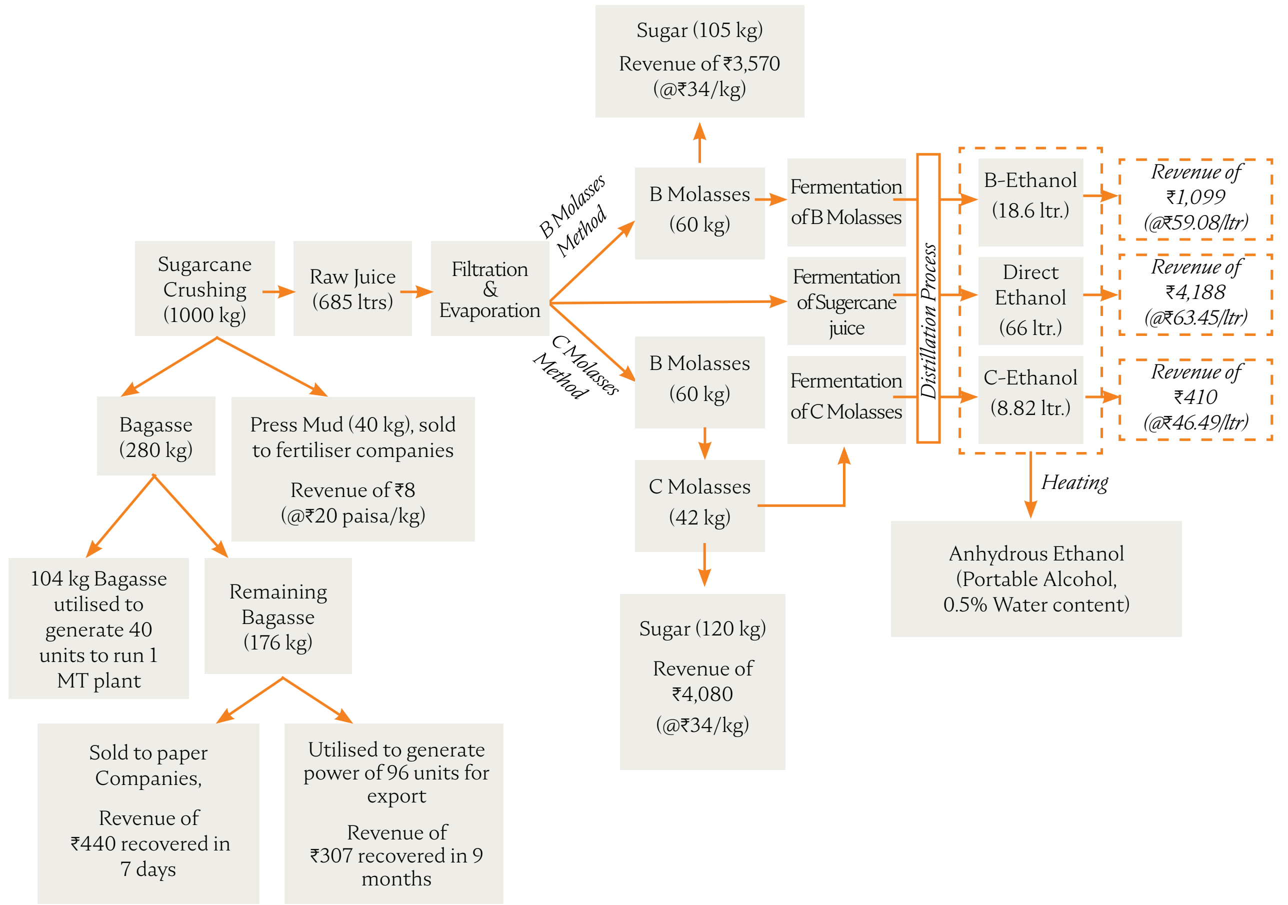
(Source: Industry)

Ethanol realisations per litre (₹)

Ethanol type	ESY19	ESY20	ESY21	ESY22
Direct ethanol	59.19	59.48	62.65	63.45
C-heavy ethanol	43.46	43.75	45.69	46.66
B-heavy ethanol	52.43	54.27	57.61	59.08

(Source: Industry Reports and Ventura Research)

Sugar and ethanol manufacturing process and costing



Indian co-generation sector overview

Biomass-based power generation emerged as a stable anchor as India surpassed 100 GW installed capacity and almost reached its NDC goal of 40% non-fossil installed capacity. The country achieved its 10 GW energy generation target from biomass, mainly on account of a substantial agro-waste availability round the year, useful scalable technologies and easy integration into the mainstream.

Over the last 10 years, biomass power generation achieved its annual target of new capacity addition on a number of occasions. The Central Government invested more than ₹4.6 billion in setting up biomass power and waste to energy systems in the previous decade.

According to Ministry of New & Renewable Energy, non-signing of the power purchase agreements by DISCOMs (power distribution companies), lack of working capital and biomass non-availability remain key issues faced by the sector. A MNRE study indicated that biomass availability in India could reach a potential 28 GW and 14 GW power could be produced from bagasse-based cogeneration across the country's 550 sugar mills. The biomass contribution could remain at 10 GW by 2030 on account of seasonal fuel availability. Central financial initiatives could encourage plants using biomass like bagasse, agro-based industrial residue, crop residue, wood produced through energy plantations, weeds, wood waste produced in industrial operations etc. (Source: Mongabay)

Financial analysis and operational perspective

Sugarcane crushed and sugar produced across three units (2021-22)

Particulars	2020-21	2021-22
Crushing (lakh quintal)	397.14	373.92
Recovery % (gross - adjusted)	12.20	12.09
Recovery % (net)	11.54	10.59
Production (lakh quintal)	45.93	39.60

Note: 2021-22 (1.4.2021 to 31.3.22) includes a minor part of SS2020-21 and a major part of SS2021-22

SS2021-22 vis-a-vis SS2020-21 across three units

Particulars	2020-21	2021-22
Crushing (lakh quintal)	303.20	298.77
Recovery % (gross- adjusted)	12.13	11.85
Recovery % (net)	11.27	10.31
Production (lakh quintal)	33.95	30.58

Note: For both seasons from start of season till 31st March of the respective year

Operational highlights, 2021-22

Sugar

- Sugarcane crushing decreased by 5.85%
- Gross-adjusted recovery declined 11bps
- Sugar production moderated on account of enhanced utilisation of B-Heavy molasses for producing ethanol

Cogeneration

- Sold 1,594.97 lakh units valued at ₹5,057 lakh compared to 1,709.23 lakh units valued at ₹5,221 lakh in 2020-21.

Distillery

- Sold 557.28 lakh litres of industrial alcohol valued at ₹325 crore compared to 317.32 lakh litres worth ₹159 crore in 2020-21

Financial highlights, 2021-22

Particulars	2021-22		2020-21	
	(₹ lakh)	(%)	(₹ lakh)	(%)
Total income	1,97,723	100.00	1,84,594	100.00
EBITDA	29,396	14.87	20,835	11.29
EBTDA	26,230	13.27	16,070	8.71
EBT	21,867	11.06	11,980	6.49
EAT	15,522	7.85	9,154	4.96

- EBITDA margin stood at 14.87% compared to 11.29% in the previous year. Higher EBIDTA margin is attributable to more remunerative sales mix with higher share of revenue from the distillery segment and also improved performance of sugar segment.
- Registered net profit of ₹15,522 lakh @ margin of 7.85% vis-à-vis ₹9,154 lakh @ margin of 4.96% in 2020-21. Besides factors inferable to higher EBIDTA margin, rationalisation of interest costs translated into better net profit margins.
- ICRA continued to rate the long-term loans of the Company at A+. However, during the year ICRA revised the outlook from 'stable' to 'positive'. Short-term loans (commercial paper) were continued with the highest rating of A1+.

Accounting policies

The financial statement of the Company was prepared in compliance with the requirements of the Companies Act, 2013 and IND AS. The accounting policies followed by the Company formed an integral part of the annual report.

BUSINESS SEGMENT REVIEW

Sugar

Overview

In 1995, Dwarikesh commenced its maiden manufacturing facility in Bijnor with a cane crushing capacity of 2,500 tonnes per day. The Company has grown since; it possessed three manufacturing units - two units in Bijnor district and one in Bareilly district - with an aggregate cane crushing capacity of 21,500 tonnes per day at the close of the year under review.

Dwarikesh undertook prudent investments through numerous initiatives to enhance cane yield, improve recovery and optimise costs. These initiatives comprised tight cane inventory management, transformation from manual to tractor-mounted loading, use of 'brick' soling to mitigate soil sludge during monsoons, association with farmers through WhatsApp groups and the enhanced use of digital cane supply notices to farmers to enhance transaction transparency.

Dwarikesh upgraded and automated manufacturing units, improving efficiencies, reducing losses and optimising recovery.

Highlights, 2021-22

- Crushed 373.92 lakh quintals of cane in 2021-22 compared to 397.14 lakh quintals of cane in the previous year.
- Net recovery reduced at 10.59% as against net recovery of 11.54% in 2020-21. Gross & adjusted recovery after considering diversion for B heavy molasses is 12.09% compared to 12.20% in 2020-21.
- The Company planted a one-hectare nursery in each 170 villages, anticipated to grow ten-folds each year and provide higher yield to farmers.

Challenges and responses

- Heavy rains in October 2021 affected operations. The Company resumed operations in 10 days.
- COVID-19 continued to be challenging as companies worked with lower manpower during the second pandemic wave. The Company addressed this challenge through sanitisation and social distancing.

Outlook

Dwarikesh will look forward to increasing capacities where possible, enhance efficiencies and also upgrade the processes for manufacturing refined sugar.

Big numbers

1,874
Sugar revenues earned in 2020-21 (₹ crore)

1,906
Sugar revenues earned in 2021-22 (₹ crore)

46
EBITDA earned in 2020-21 (₹ crore)

67
EBITDA earned in 2021-22 (₹ crore)

45.93
Total sugar production during 2020-21 (lakh quintals)

39.60
Total sugar production during 2021-22 (lakh quintals)

11.54
Recovery (net) in 2020-21 (%)

10.59
Recovery (net) in 2021-22 (%)

80
Contribution to total revenues during 2020-21 (%)

75
Contribution to total revenues during 2021-22 (%)

Note: Revenues include internal revenues

BUSINESS SEGMENT REVIEW

Distillery

Overview

In 2005, the Company commissioned a distillery at Dwarikesh Nagar in Bijnor district with a capacity of 30 kilolitres per day to manufacture industrial alcohol. The distillery was subsequently utilised for ethanol manufacture, addressing the needs of proximate oil marketing companies. The Central Government's ethanol blending program has encouraged the Company to scale its distillery capacity to 162.5 KLPD and participate in the exciting 'ethanolisation' program to reduce cyclicality and the country's reliance on imported fuel.

Dwarikesh produced 5.54 crore litres of ethanol, utilise B heavy molasses. The Company invested in premium boilers and effluent treatment equipment. The plant incinerated effluents, empowering the distillery to enhance operations to more than 330 days a year.

Highlights, 2021-22

- The Company sold 557.28 lakh litres of industrial alcohol worth ₹324.58 crore lakh vis-à-vis 317.32 lakh litres worth ₹159.21 crore in 2020-21.
- The Company has announced the setting up of a 175 KLPD distillery plant in its Bareilly unit and the same is expected commence operations from June 2022.

Achievements, 2021-22

- Dwarikesh focused on processes and safety, implementing the HRDS system to enhance employee safety.

Big numbers

161
Revenues earned during 2020-21 (₹ crore)

326
Revenues earned during 2021-22 (₹ crore)

58
EBITDA earned during 2020-21 (₹ crore)

121
EBITDA earned during 2021-22 (₹ crore)

317
Industrial alcohol sold during 2020-21 (lakh litres)

557
Industrial alcohol sold during 2021-22 (lakh litres)

50
Realisation per litre during 2020-21 (₹)

58
Realisation per litre during 2021-22 (₹)

BUSINESS SEGMENT REVIEW

Power segment

Overview

The Company entered the cogeneration business when it commissioned its first 6 MW power plant in 1995. In 2002, the Company expanded to its capacity to 9 megawatts. The Company's cumulative cogeneration capacity was 91 megawatts as on 31st March, 2022.

Big numbers

311 Revenues earned during 2020-21 (₹ crore)	304 Revenues earned during 2021-22 (₹ crore)	104 EBITDA earned by this business during 2020-21 (₹ crore)	106 EBITDA earned by this business during 2021-22 (₹ crore)
3,166 Total production during 2020-21 (lakh units)	3,013 Total production during 2021-22 (lakh units)	1,709 Total power sold to the state electricity grid, 2020-21 (lakh units)	1,595 Total power sold to the state electricity grid, 2021-22 (lakh units)
3.1 Average realisation during 2020-21 (₹ per unit)	3.2 Average realisation during 2021-22 (₹ per unit)	13 Contribution to total revenues in 2020-21 (%)	12 Contribution to total revenues in 2021-22 (%)

Note: Revenues include internal revenues

How we manage risks at our company

Our business divisions and risk probability

Segments	Risk possibilities	Reason
Sugar	High-moderate	Competitive market
Distillery	Moderate-low	Government support for the sector
Power	Moderate	Sole buyer addressed

Risk	Mitigation
Policy risk: Shortage in cane availability could affect sugar production.	**Mitigation:** The Government undertook initiatives to strengthen the sector, including the introduction of a minimum selling price to ascertain fair prices and offer soft loans to millers to liquidate cane arrears with timeliness. The Government has also undertaken initiatives to encourage ethanol sales and improve its ratio in the total sales matrix.
Farmer relationship risk: Procurement volume and quality could be disturbed due to relationship issues with farmers.	**Mitigation:** The Company ensured fair and timely remuneration to farmers for the cane sold. The Company undertook proactive initiatives to educate farmers, offer seeds and insecticides at subsidised rates and other initiatives that strengthened farmer relationships.
Demand-supply risk: An increasing national sugar inventory could moderate sugar realisations.	**Mitigation:** Dwarikesh offers customers lab-tested sugar of superior quality. The Company reported robust demand on account of its longstanding goodwill. The Company's ethanol is marketed to OMCs with a large unmet demand appetite. The Company also endeavors to export sugar whenever an opportunity arises.

Raw material availability risk: Shortage in cane availability could affect sugar production.

Mitigation: The Company's plants are strategically located in the abundant cane-growing regions of Uttar Pradesh, enhancing cane availability.

Working capital risk: Adequate working capital is necessary in a business marked by the need to nurse a large sugar inventory.

Mitigation: The Company reduced working capital outlay by increasing its focus on ethanol and co-generation businesses. This moderated working capital outlay on the one hand and enhanced liquidity on the other.

Internal control systems and their adequacy

Dwarikesh Sugar Industries Limited believes that safeguarding of assets and business efficiency can be prolonged by exercising adequate internal controls and standardising operational processes. The Company possesses a robust internal control system to review performance, track operations and gauge liquidity. The system also ensures that all transactions are duly reported and all assets are properly safeguarded.

Timely review of operations and recommendations of auditors allow the Company to make corrections whenever and wherever necessary.

Human resource management

Dwarikesh comprised 771 full-time permanent employees coupled with seasonal employees. These employees represent the biggest asset, the Company focusing on their personal and professional development through increased empowerment, responsibility and authority.

Talent goals

- Developing robust linkages, ensuring a consistent improvement in productivity, quality, competitiveness and efficiency.
- Focusing on consistent development across work areas to enhance competitiveness and customer focus.
- Addressing complex challenges by concentrating on decisive issues; supporting a lean organisational structure.
- Empowering employees through decentralisation, encouraging them to achieve their potential.
- Recruiting talent with a positive attitude and potential.
- Creating specifications of qualifications and experience customised around different job roles.
- Offering employment to the competent, irrespective of caste, religion and other criteria.
- Offering rewards and recognition on the basis of merit and targets achievement.
- Offering induction and orientation to all employees; sharing the group vision for timely integration with the rest of the Company.
- Creating a sense of pride, belongingness, pleasure and social fulfilment when working with the Company.
- Providing feedback to employees on their performance, strengths and weakness.

Initiatives undertaken to achieve these goals

- The Company developed a team of qualified and skilled professionals through the DSIL Trainee Scheme.
- The Company engaged in quarterly and half-yearly trainee appraisals; assessments were based on employee performance; the Company set up an HR software for online appraisal.
- The Company facilitated employee growth by plugging vacancies from within.
- The Company's audit policies were periodically reviewed.
- The Company organised off-season training for employees.

Cautionary statement

The statements in the management discussion and analysis section with regard to projections, estimates and expectations have been made in good faith. The achievement of results is subject to risks, uncertainties and even less than accurate assumptions. Market data and information are gathered from various published and unpublished reports. Their accuracy, reliability and completeness cannot be assured.

Board of Directors

G. R. Morarka

Executive Chairman

He is a Commerce Graduate & ICWA inter and is a sugar industry doyen with over 25 years of Sectoral experience. An industry veteran, acknowledged and respected for his statesmanship & business acumen. He is a recipient of Indira Gandhi Priyadarshini award for Management. He has also been awarded the coveted Bhamasha award multiple times for his contribution in the field of education. An philanthropist at heart, he has also won Indira Gandhi Sadbhavana Award and Swami Krishnanand Saraswati Purashkar for excellence in social and community service.

B. K. Agarwal

Independent Director

He is a retired IAS of 1967 batch and holds a degree in commerce and law. He was the Secretary (Transport) and Secretary (Industries) in Maharashtra. An acclaimed bureaucrat, he retired as Additional Chief Secretary, Government of Maharashtra in August 2002.

K. N. Prithviraj

Independent Director

He is a brilliant academician and an accomplished former banker. An Economics graduate from Madras University and is also a research scholar in Economics from the same university. He has also done his CAIIB (I) and his areas of specialisation include banking, economics and management. He last held the distinguished position of Chairman & Managing Director of Oriental Bank of Commerce. He is also an Independent Director on the board of National Financial Holdings Company Limited.

Nina Chatrath

Independent Director

She holds a bachelor of commerce degree from Delhi University and has additional qualifications in business and hotel management. She has over twenty years of business and consulting experience. She is also a founder of Enhance Consulting, a boutique Leadership Consulting firm based in New Delhi. She has earlier worked as a senior partner in Heidrick & Struggles, internationally reputed executive search firm and was also an associate with Korn & Ferry, an international management consulting firm.

Gopal B. Hosur

Independent Director

He is a retired IPS Officer and has been in public service for the last 36 years. He has made stellar contributions in the core area of Law & Order, Crime and also in administration of Criminal Justice System. He had a 5 years stint as an Advisor with JSW Steel, a large corporate in the business of making steel. Since 2019 till date, he is working as Chief Executive Officer with Chinmaya Mission Hospital, Bangalore. In addition he is also a President of Karnataka Swimming Association & Sankalpa, an organisation to reform convicts.

Rajan K. Medhekar

Independent Director

He is an IPS officer of 1975 Batch, Kerala Cadre. He concluded his career in the IPS as the Director General of the elite National Security Guard (NSG), He is currently the Director General of the International Institute of Security and Safety Management (IISSM), New Delhi. He is also an Independent Director on the board of SIS Limited and Geojit Financial Services Limited.

B. J. Maheshwari

Managing Director & Company Secretary cum Chief Compliance Officer

He was appointed as Whole Time Director & Company Secretary (CS) & Chief Compliance Officer (CCO). He holds dual professional degrees of a Chartered Accountant & of a Company Secretary. He has more than three decades of experience in handling the Company law & secretarial matters, listing requirements & compliances, taxation (Direct and Indirect), legal and administrative matters.

Vijay S. Banka

Managing Director

He has been associated with company since September, 2007. He is a qualified Chartered Accountant, having more than three decades of experience in handling finance, treasury and strategy functions. He was inducted on the board of the Company on the 1st May, 2009 and was designated as Whole Time Director & Chief Financial Officer.

Notice

NOTICE is hereby given pursuant to the relevant provisions of the Companies Act, 2013 (the "Companies Act") read with the Companies (Management and Administration) Rules, 2014 (the "Management Rules"), and other applicable provisions, if any, that the Twenty Eighth (28th) Annual General Meeting of the Company will be held on Thursday, 30th June, 2022 at 11.30 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 year ended 31st March, 2022 together with the Directors' Report and the Auditors' Report thereon.

2. To ratify payment of Interim Dividend on Equity Shares of the Company declared during the year.

3. To appoint a Director in place of Shri B. J. Maheshwari (DIN:00002075), who retires by rotation and being eligible offers himself for re-appointment.

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 Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s. Mittal Gupta & Co., Chartered Accountants, Kanpur, having ICAI Firm Registration No.01874C, be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 33rd AGM of the Company at the remuneration to be fixed by the Board of Directors of the Company, in addition to applicable taxes and actual out of pocket expenses incurred in connection with the audit of the accounts of the Company.

RESOLVED FURTHER THAT Shri B. J. Maheshwari, Managing Director & CS cum CCO be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings, as may be required and to file necessary e-forms with ROC to give effect to the aforesaid resolution."

SPECIAL BUSINESS:

5. To re-appoint Shri G. R. Morarka (DIN:00002078) as Whole Time Director to be designated as Executive Chairman of the Company and in this regard pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements), 2015 and the rules made thereunder and after recommendation of Nomination and Remuneration Committee & Board, consent of the Members of the Company be and is hereby accorded for re-appointment of Shri G. R. Morarka (DIN:00002078) as Whole Time Director designated as Executive Chairman for a period of 5 (Five) years with effect from January 1, 2022.

   RESOLVED FURTHER THAT Shri B. J. Maheshwari or Shri Vijay S. Banka be and is hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings, as may be required and to file necessary e-forms with ROC to give effect to the aforesaid resolutions."

6. To fix remuneration of Shri G. R. Morarka (DIN: 00002078), Whole Time Director designated as Executive Chairman of the Company and in this regard pass, with or without modification(s), the following resolution as **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 197, 198 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and on recommendation of the Nomination and Remuneration Committee and Board, approval of the Members of the Company be and is hereby accorded for payment of remuneration to Shri G. R. Morarka (DIN:00002078) as Whole Time Director designated as Executive Chairman for a period of 5 (Five) years with effect from January 1, 2022 on the terms and conditions as set out in the Explanatory Statement attached to this notice.

RESOLVED FURTHER THAT where in any financial year(s) during the currency of the tenure of Shri G. R. Morarka as the Whole Time Director designated as Executive Chairman, the Company has no profits or its profits are inadequate, the Company shall pay to Shri G. R. Morarka, the remuneration as set out in the explanatory statement by way of consolidated salary and perquisites as minimum remuneration.

RESOLVED FURTHER THAT Shri G. R. Morarka being Executive Chairman shall have following duties and responsibilities towards the Company:

a. He shall preside over the Board Meetings, Committee Meetings and General Meeting of Shareholders as and when available;

b. He shall be responsible for framing broad guidelines for policies and goals which are to be pursued by the Company;

c. He shall represent the Company in social platforms/ associations etc as and when required;

d. He shall review the working of the Company and ensure implementation of company's goals and policies;

e. He shall plan diversification, expansion or modernization of plants of any unit of the Company and ensure implementation of the same;

f. He shall be responsible for all other matters that may be assigned to him by the Board of the Company.

RESOLVED FURTHER THAT Shri B. J. Maheshwari, Managing Director & CS cum CCO be and is hereby authorised to file necessary e-forms with the Registrar of Companies in respect of the aforesaid appointment and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

7. To approve Related Party Transaction and in this regard pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of sections 188(1), 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including statutory modification(s) or re-enactment thereof for the time being in force), the consent of Members be and is hereby accorded for alteration in the limit of maximum remuneration of Ms. Priyanka G. Morarka holding office or place of profit, as President - Corporate Affairs of the Company, Daughter of Shri G. R. Morarka, Whole Time Director and Executive Chairman of the Company, from ₹4,50,000/- p.m to ₹5,50,000/- p.m with effect from August 1, 2022.

   RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, Shri B. J. Maheshwari, Managing Director & CS cum CCO of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard including filing of returns with any authority."

8. To appoint Cost Auditor for the Financial Year 2022-23 and in this regard pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and all other applicable provisions (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Ramanath Iyer & Co., Cost Accountants (Firm Reg. No.000019) who has been appointed by the Board as Cost Auditors of the Company, be and is hereby approved to conduct audit of cost records of the Company for the financial year ending 31st March, 2023, for remuneration as set out in the explanatory statement annexed hereto."

By **the Order of the Board,**
For **Dwarikesh Sugar Industries Limited**

Place: Mumbai
Date: May 02, 2022

B. J. Maheshwari
Managing Director & CS cum CCO
(DIN: 00002075)

Registered Office:
Dwarikesh Sugar Industries Limited
Dwarikesh Nagar-246762, Dist: Bijnor, Uttar Pradesh
CIN: L15421UP1993PLC018642
Web: www.dwarikesh.com
E-mail: investors@dwarikesh.com
Tel: 01343-267061/64 Fax: 01343-267065

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, May 05, 2020, January 13, 2021 and General Circular No. 21/2021 dated 14/12/2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.

3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment and re-appointment at this AGM is annexed.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. 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 his/her 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, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

7. 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 vkmassociates@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.

8. The Register of Members & Share Transfer Books of the Company will be closed from Friday, June 24, 2022 to Thursday, June 30, 2022 (both days inclusive) for the purpose of identification of members who shall be entitled to receive Annual report and attend Annual General Meeting of the Company.

9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 01st April, 2019, except in case of request received for transmission or transposition of securities requests will be considered but the transmission or transposition of securities will be done in dematerialized form only. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Universal Capital Securities Private Limited ("RTA") for assistance in this regard.

10. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs 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.

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, signature, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.

12. Members are entitled to make nomination in respect of shares held by them in physical form. Members desirous of making nominations are requested to send their requests in Form SH-13 which can be obtained from the Company's RTA.

13. 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 for consolidating their holdings in one folio.

14. 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.

15. 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 June 23, 2022 through email on investors@dwarikesh.com. The same will be replied by the Company suitably.

16. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2021-22 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 2021-22 will also be available on the Company's website www.dwarikesh.com, 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 on the website of CDSL https://www.evotingindia.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. SEBI has mandated the submission of PAN by every participant in securities market. Members who are holding the shares in electronic mode are therefore requested to submit the PAN to their depository participants with whom they are having their demat accounts. Members having shares in physical form can submit their PAN details to the Company or its RTA.

20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

21. The Notice is being sent to all the Members, whose names appear on the Register of Members / List of Beneficial Owners as received from the RTA of the Company as on 27th May, 2022.

22. In compliance of provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules 2014, the Company is pleased to provide its members facility to exercise their votes by electronic means (remote e-voting) and the business may be transacted through e-voting as per the instructions below:

    Details of Scrutinizer: M/s VKM & Associates has been appointed as the Scrutinizer to scrutinize e-voting in a fair and transparent manner.

    The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses (not in the employment of the Company) and make out a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.

23. A Member can opt for only one mode of voting i.e. either through remote e-voting or e-voting at the AGM. Since

the AGM is held through VC/OAVM and voting through ballot paper will not be provided. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dwarikesh.com and on the website of CDSL www.evotingindia.com within two days of the 28th AGM of the Company and shall be communicated to BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively where the shares of the Company are listed.

24. The Company has fixed Thursday, 23rd June, 2022 as the 'Record Date' for the purpose of AGM.

25. **Instructions for e-voting and joining the AGM are as follows:**

A. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

The instructions for members voting electronically are as under:

(i) The voting period begins on Monday, 27th June, 2022 at 9.00 a.m. and ends on Wednesday, 29th June, 2022 at 5.00 p.m. During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, 23rd June, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL's 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 URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.

Type of shareholders	Login Method
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/ Easi Registration
	4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting 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 name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
	2) If the user is 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
	3) 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 name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	1) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider's website 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. CDSL and NSDL

Login type	Helpdesk details
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 022-23058738 and 22-23058542-43.
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.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-voting and joining virtual meeting for shareholders **Physical shareholders and shareholders other than individual holding in Demat form**.

(vi) The shareholders should log on to the e-voting website www.evotingindia.com.

(vii) Click on "Shareholders" module.

(viii) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(ix) Next enter the Image Verification as displayed and Click on Login.

(x) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(xi) If you are a first time user follow the steps given below:

Login type	**For Physical shareholders and other than individual shareholders holding shares in Demat.**
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

(xii) After entering these details appropriately, click on "SUBMIT" tab.

(xiii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xiv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xv) Click on the EVSN for the relevant <Dwarikesh Sugar Industries Limited> on which you choose to vote.

(xvi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xvii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xviii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xx) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xxi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xxii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting.** The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at investors@ dwarikesh.com. These queries will be replied to by the Company suitably by email.

   If you wish to speak at the AGM, please register yourself by sending email on investors@dwarikesh. com or info@unisec.in with the following details:

   - **your DP ID and Client ID**
   - **location: city and country**
   - **occupation/ profession**
   - **contact details (e-mail / mobile no. etc.)**
   - **details of internet connectivity etc.**
   - **your photograph (passport size - in .jpeg / .jpg / .bpm file)**
8. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM. Infrastructure, connectivity and speed available at the Speaker's location are essential to ensure smooth interaction. In the interest of time, each Speaker is requested to express his / her views in 2 minutes. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders - please provide necessary details like 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 Company/RTA.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant.
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant which is mandatory while e-voting & joining virtual meetings through Depository.

(xxiii) If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

(xxiv) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@ cdslindia.com or call on 022-23058542/43.

Annexure to Notice

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

ITEM NO. 5

The term of Shri G. R. Morarka (DIN: 00002078) as Whole Time Director designated as Executive Chairman has expired on December 31, 2021. Based on the performance evaluation and as per the recommendation of the Nomination & Remuneration Committee, it is proposed to re-appoint Shri G. R. Morarka as Whole Time Director designated as Executive Chairman of the Company for a further period of five years with effect from 1st January, 2022 on such terms and conditions as the Board may deem fit.

A statement containing his profile is given hereunder in the disclosure pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends the ordinary resolution for approval by the shareholders.

None of the Directors, Key Managerial Persons (KMPs) of the Company or the relatives of Directors or KMPs, except Shri G. R. Morarka is in any way concerned or interested in the proposed resolution.

ITEM NO. 6

It is proposed to re-appoint Shri G. R. Morarka, Whole Time Director designated as Executive Chairman of the Company for a period of 5 years which is valid viz. from 1st January, 2022 and for his extended tenure it is proposed to fix his remuneration on the terms and conditions as mentioned below:

Section I of Part II of Schedule V

Remuneration payable when the Company has Profits:

Remuneration by way of salary, perquisites, commission, allowances and other benefits subject to the condition that the total remuneration payable to both the Manging Directors and a Whole Time Director shall not exceed 10% of the Net Profit of the Company for the year, however the maximum amount that can be paid as commission to Shri G. R. Morarka in a year shall not exceed ₹5 crores. Net Profits is required to be computed u/s 198 of the Companies Act, 2013.

Section II of Part II of Schedule V

Remuneration payable when the Company has no profits or its profits are inadequate:

Where in any financial year(s) during the currency of the tenure of Shri G. R. Morarka as the Whole Time Director designated as Executive Chairman of the Company has no profits or its profits are inadequate, the Company shall pay to Shri G. R. Morarka in respect of such financial year(s) in which such inadequacy or loss arises or for a period of three years, (whichever is lower), the remuneration as set out below by way of consolidated salary and perquisites as minimum remuneration, in accordance with the provisions of Section 197 and/or Schedule V to the Companies Act, 2013 (as amended) (the "Act") or under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or under any other law for the time being in force, if any.

(A) Minimum Salary:

Particular	Shri G. R. Morarka (₹ in lakhs per Month)
Basic Salary	1.70
Personal Pay	18.30
Total	20.00

(B) Allowance

Allowances for conveyance, Children Education Allowance and such other allowances as per rules of the Company.

(C) Perquisites

In addition to Salary as above, the Executive Chairman shall be entitled to the following perquisites:

CATEGORY 'A'

Medical Reimbursement

Reimbursement of actual medical expenses incurred in India and / or abroad and including hospitalisation, nursing home and surgical charges for himself and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for patient and attendant are also payable.

Leave Travel Concession

Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during leave travel periods, wherever undertaken, whether in India or abroad.

Personal Accident Insurance

Personal accident insurance policy in accordance with the scheme applicable to other Managerial personnel of the Company.

Club Memberships
Subscription or reimbursement of membership fees for clubs in India and / or abroad, including admission and life membership fees.

Entertainment Expenses
Reimbursement of entertainment expenses incurred in the course of business of the Company.

Other Benefits
The Executive Chairman shall be entitled to such other benefits as may be approved by the Remuneration Committee from time to time.

Explanations:
Perquisites shall be evaluated as per Income-Tax Rules, 1962, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost of the Company.

For the purpose of perquisites stated hereinabove, 'family' means the spouse, dependent children and dependent parents of the appointee.

CATEGORY 'B'
The Executive Chairman shall also be entitled to following perquisites as per rules of the Company which will not be included in the computation of the ceiling of remuneration as above:

i) Contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these, either singly or put together are not taxable under the Income-Tax Act, 1961.

ii) Gratuity Payable as per rules of the Company.

iii) Leave with full pay or encashment thereof as per the rules of the Company. Encashment of the unavailed leave being allowed at the end of the tenure.

iv) Provision of chauffer driven Car or reimbursement of Driver's remuneration on Company's business and telephone, telefax, mobile and other communication facilities at residence for official purposes will not be considered as perquisites. Personal long distance calls and use of Car for private purpose shall be billed by the Company to the Executive Chairman.

The Board recommends the special resolution for approval by the shareholders.

None of the Directors, Key Managerial Persons (KMPs) of the Company or the relatives of Directors or KMPs, except Shri G. R. Morarka is in any way concerned or interested in the proposed resolution.

ITEM NO. 7

The provisions of Section 188(1) of the Companies Act, 2013 and rule 15 of Companies (Meeting of the Board and its powers) Rules, 2014 and Regulation 23 of the SEBI (LODR) Regulations, 2015, that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors, and in certain cases prior approval of the shareholders are also required. Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit. The Board of Directors of the Company on the recommendation of the Audit Committee, at their meeting held on May 02, 2022, had approved the increase in the limit of maximum Remuneration to be paid to Ms. Priyanka G. Morarka, President - Corporate Affairs of the Company from ₹4,50,000/- per month to ₹5,50,000/- per month with effect from August 01, 2022, subject to approval of the Shareholders by way of Ordinary Resolution.

The particulars of transaction pursuant to para 3 of explanation (1) to rule 15 of Companies (Meeting of the Board and its powers) Rules, 2014 are as under:

1. Name of the related party: Shri G. R. Morarka.

2. Nature of relationship: Shri G. R. Morarka is the father of Ms. Priyanka G. Morarka and is also holding position of Executive Chairman in Dwarikesh Sugar Industries Limited.

3. Monetary Value : Current monthly remuneration paid is within the approved range of ₹4,50,000/- per month subject to an increase of ₹5,50,000/- per month from time to time w.e.f August 01, 2022. The details of the remuneration paid to Ms. Priyanka G. Morarka is as below:

Particular	Ms. Priyanka G. Morarka (₹ p.m.)
Basic Salary & Personal Pay	3,78,524
Company's Contribution to PF & FPS	18,000
Helper allowance	4,000
Total	**4,00,524**

Besides above remuneration, she is also entitled to leave encashment, ex-gratia, bonus or such other payments as per the policy of the Company.

The Audit Committee/Board of Directors has authority to increase remuneration of Ms. Priyanka G. Morarka for a sum not exceeding ₹5,50,000/- per month from such date as may be decided by the Committee or Board of Directors.

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 7 of the Notice for approval of shareholders.

None of the Directors, Key Managerial Persons (KMPs) of the Company or the relatives of Directors or KMPs, except Shri G. R. Morarka & Ms. Priyanka G. Morarka, is in any way concerned or interested in the proposed resolution.

ITEM NO. 8

The Board, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s. Ramanath Iyer & Co., Cost Accountants (Firm Regn. No.000019) as the Cost Auditors to conduct the audit of the cost records of the Company relating to Sugar (including Industrial Alcohol) and Electricity for the financial year ending 31st March, 2023 at a remuneration of ₹1,75,000/ p.a. exclusive of travelling, boarding, lodging and out of pocket expenses. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be approved by the members of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 8 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2023.

The Board recommends the ordinary resolution for approval by the shareholders.

None of the Directors, Key Managerial Personnel of the Company and their relatives, in any way, are concerned or interested, financially or otherwise, in the proposed resolution.

By **the Order of the Board,**
For **Dwarikesh Sugar Industries Limited**

Place: Mumbai
Date: May 02, 2022

B. J. Maheshwari
Managing Director & CS cum CCO
(DIN: 00002075)

Registered Office:
Dwarikesh Sugar Industries Limited
Dwarikesh Nagar-246762, Dist: Bijnor, Uttar Pradesh
CIN: L15421UP1993PLC018642
Web: www.dwarikesh.com
E-mail: investors@dwarikesh.com
Tel: 01343-267061/64 Fax: 01343-267065

Details of Directors Seeking Appointment / Re-Appointment in Annual General Meeting

[Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Shri G. R. Morarka	Shri B. J. Maheshwari
Date of Birth	January 1, 1962	May 2, 1960
Nationality	Indian	Indian
Director since	January 1, 2019	May 1, 2009
Qualifications	B.com & ICWA Inter	Chartered Accountant & Company Secretary
Experience & Expertise	**Experience:** A dynamic entrepreneur with more than two decades of experience, he started his career by overseeing the family-run Pampasar Distillery Limited (PDL), which he subsequently divested in favour of Shaw Wallace. He launched his own business by setting up a sugar plant at Dwarikesh Nagar, Uttar Pradesh in a record period of 14 Months and has thereafter grew business by setting up 2 more sugar units at Dwarikesh Puram & Dwarikesh Dham, set up distillery at Dwarikesh Nagar & now in the process of setting up another Distillery at Dwarikesh Dham, likely to be commissioned in June, 2022.	**Experience:** He has, being CA and CS, enriched himself with expertise in the arenas of taxation – both direct and indirect, corporate law, Listing regulations, SEBI Guidelines, secretarial practice and compliance of law.
	Expertise: Finance and Strategy	**Expertise:** Secretarial, Legal & Taxation
Shareholding of Directors in company	2,85,67,590	Nil
Directorship held in other public companies excluding foreign and private companies	· Morarka Finance Limited · Faridpur Sugars Limited · Dwarikesh Informatics Limited · Dwarikesh Trading Company Limited	· Morarka Finance Limited · Faridpur Sugars Limited · Dwarikesh Informatics Limited
Chairmanship/ Memberships of committees*	Chairmanship: (0)	Chairmanship: (1)
	Membership: (1)	Membership: (1)
Relationship between Directors inter-se	NA	NA

**Committee Membership or Chairmanship includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies (Whether listed or not)*

Directors' Report

Dear members

Your Directors are pleased to present their 28th (Twenty Eighth) Annual Report along with the Audited Accounts for the year ended on 31st March, 2022.

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Gross profit before depreciation, interest & tax	29,396.17	20,834.99
Less: Depreciation	4,362.92	4,089.40
Finance Costs	3,165.77	4,765,38
Profit / (Loss) before tax and exceptional items	21,867.48	11,980.21
Profit / (Loss) before tax	21,867.48	11,980.21
Tax expenses	6,345.93	2,826.38
Profit /(Loss) after tax	15,521.55	9,153.83
Total comprehensive income / (loss)	15,557.41	9,520.34

DIVIDEND

Your Directors recommended payment of an interim equity dividend of 200% i.e. ₹2/- per equity share of face value of ₹1/- each. The cash outflow on account of equity dividend is ₹37,66,02,940/-.

YEAR IN RETROSPECT

Impact of Covid-19: The well-being of our employees and their family members is one of our foremost priorities. We restructured our standard operating procedures and set strict protocols for the safeguard the health of our employees and their families. We also took special care to ensure that there is minimum disruption of services to all our customers and business associates. So far, the pandemic has not caused any significant business disruptions.

Operations: Distinguishing features of the crushing operations in your company are given in the following paragraphs:

Metrics of sugarcane crushed, sugar produced and recovery achieved during the year is given hereunder:

Sugarcane crushed and sugar produced across three units (FY2021-22)

Particulars	2021-22	2020-21	Change
Crushing (Lac Quintal)	373.92	397.14	-5.85%
Recovery (Gross - adjusted)	12.09	12.20	-0.90%
Recovery % (Net)	10.59	11.54	-8.23%
Production (Lacs Quintal)	39.60	45.93	-13.78%

Sugarcane crushed and sugar produced during season 2021-22

Particulars	2021-22	2020-21
Crushing (lac per quintal)	298.77	303.20
Recovery % (Gross – adjusted)	11.85	12.13
Recovery % (Net)	10.31	11.27
Production (lac per quintal)	30.58	33.95

For ongoing crushing season 2021-22 (up to 31st March, 2022) vis-à-vis up to same date in SS 2020-21.

Highlights FY 2021-22

- Sugarcane crushing declined by 5.85% y-o-y.
- Net Recovery stood at 10.59% compared to net recovery of 11.54% in FY2020-21 is lower by 8.23%. This recovery was achieved after taking into account the diversion of B heavy molasses at all plants. Gross – adjusted recovery is 12.09% compared to 12.20% in FY2020-21.
- Sugar production is lower on account of generation of B heavy molasses across all three units so as to maximize ethanol production. Lower sugar production is also due to lower recovery.
- Lower recovery is on account of inclement weather conditions, excessive late rainfall resulting in water logging in cane fields over prolonged period and devastation caused by red rot in the command area of Dwarikesh Dham unit. Unfavorable weather conditions persisted throughout the duration of the season hindering optimal recovery.
- The Company clocked one of the highest recoveries in North India notwithstanding.
- In an effort to broad-base and optimize revenues from the sale of ethanol and to moderate the production of sugar, entire quantity of sugarcane was crushed to generate B heavy molasses across all three units. A part of the B heavy molasses generated at DN and DP unit was used at the distillery unit at DN plant, another part of the B heavy molasses generated at Dwarikesh Dham unit was sold to country liquor manufacturers for fulfilling levy sale obligations and the remaining quantity is being stored for use in the upcoming distillery at a unit which is expected to be operational by end of June, 2022.

Performance of cogeneration division: Metrics of power sold: (₹ in Lakhs)

Unit	FY 2021-22		FY 2020-21	
	Power sold in lakhs Units	Amount	Power sold in lakhs units	Amount
DN	284.19	892	294.76	893
DP	585.16	1,864	622.61	1,905
DD	725.62	2,301	791.86	2,423
Total	**1,594.97**	**5,057**	**1,709.23**	**5,221**

Performance of distillery: During the financial year, 553.71 lac liters of industrial alcohol (previous FY 308.26 lac liters) was produced and 557.28 lac liters (previous year 317.32 lac liters) of industrial alcohol was sold. A revenue of ₹326.21 crores (previous year ₹160.67 crores) was generated which included revenue of ₹1.62 crores (previous year ₹1.51 crores) from sale of byproducts.

Sugar industry overview

Global sugar industry scenario

The global sugar industry is expected to witness a deficit for the third year in succession. The deficit forecast for SS 2021-22 stands lowered at 1.1 million tonnes from an earlier forecast of 1.9 million tonnes. The lower deficit is on account of India producing substantially more sugar than was originally estimated. Considering the escalating production trend in India, the small global deficit may soon turn into small surplus. India is on course to export 9 million tonnes of sugar, partly compensating for lower sugar exports from Brazil. Higher production in India will off-set problems in Thailand and China where production is lesser than expected. According to a study by Rabo Bank global sugar demand grew by 1% in the last decade or 1.30% if the pandemic years were to be excluded, down from 2.5% growth in the previous decade.

Performance of India on the export front has been impressive.

India is expected to clock exports of 9 million tonnes during SS 2021-22 all under OGL as compared to 7 million tonnes, mostly exported under export subsidy scheme with quotas allocated to each sugar mill.

The recent spurt in crude prices on account of the ongoing war between Russia and Ukraine has resulted in Brazil diverting sugarcane juice for ethanol manufacture. As per UNICA, sugar production estimate in Brazil CS is pegged at 32.064 million tonnes, lower by 16.64% as compared to 38.465 million tonnes produced during SS 2020-21. Sugar mix was lower than ethanol mix by approximately 1%.

Global sugar prices have been on a rebound. From ~16-17 cents per pound during February to April, 2021, the prices gained traction as the year advanced and remained range bound between 18-19 cents per pound for most part of the year, with sporadic spikes and even breaching the mark of 21 cents per pound. With the onset of Russia–Ukraine war resulting in geo-political tension and disruption of trade across the world, and the surge in oil price, sugar prices were hovering around 20 cents per pound a month ago. Higher global energy prices have been supportive of higher ethanol price in Brazil leading to lower sugar mix estimates in Brazil thus catalysing Indian exports in a big way. White sugar prices have also been on upward trajectory and were hovering around USD 550 PMT a month ago, both raw sugar prices and white sugar prices have recently sobered down a little on account of subdued crude prices.

The Indian sugar industry review

Indian sugar season 2021-22 proved to be eventful. The season was characterized by few landmark statistics such as

a. Highest ever sugar production – as per latest estimate, more than 35 million tonnes.

b. Production estimates were revised multiple times. The latest estimate of production being around 4 million tonnes more than the first estimate.

c. Sugar sacrifice in favor ethanol of 3.4 million tonnes – a gross production of nearly 38.4 million thus fortifying the premise that India is fundamentally a sugar surplus nation.

d. The states of Maharashtra and Karnataka have clocked new records of production. The production in Maharashtra is expected to breach the 13 million tonnes mark for the first time and Karnataka is expected to produce its highest ever yield of six million tonnes of sugar.

e. Highest ever sugar exports – estimated to be around 9 million tonnes – a singular accomplishment considering the fact that the entire export is under OGL scheme and without the support of any export subsidy.

India's Sugar Season 2021-22 commenced with an opening stock of 8.2 million tonnes. As per the latest estimates of ISMA, sugar mills across the country are likely to produce 35 million tonnes of sugar, after factoring in the sacrifice of 3.4 million tonnes of sugar production in favor of ethanol, thus taking sugar availability to 43.2 million tonnes. With exports likely to record the coveted 9 million tonnes mark and consumption / offtake being around 27.5 million tonnes, the closing stock of sugar is expected to be 6.7 million tonnes. The estimated closing stock translates to 3 months consumption / offtake. The kind of closing stock that India is estimated to end up with is optimum stock which would neither stoke any runaway increase in sugar price nor would it be such that sugar mills will be deprived of reasonable prices.

On the export front performance of India has been impressive more so because it isn't buttressed by any subsidy scheme of the Government. The large trading houses and the top experts of sugar trade, have now started considering the Indian domestic sugar prices as a big influencer on the world sugar prices. Earlier, the main yardstick applied was the sugar and ethanol parity price of Brazil, but now they factor in the Indian sugar quantity and prices for exports. It is now globally recognized that India is a regular exporter of sugar into the world market. Across the world there is an acceptance of the quality and delivery of Indian raw sugar and white sugar. The Indian sugar finds willing and regular buyers in the world market.

Sugar from India has been mainly exported to countries like Indonesia, Malaysia, Bangladesh, China Saudi Arabia and a few African countries. No quotas were allotted to sugar mills in India and the entire sugar exports from India will be under Open General License scheme. Since sugar mills in Maharashtra and Karnataka enjoy the benefit of proximity to ports whereas sugar mills of Uttar Pradesh are in the hinterland, most export contracts have been signed by sugar mills in Maharashtra and Karnataka.

In a decisive initiative, the Government of India advanced the target for 20 per cent ethanol blending in petrol (also called E20) from 2030 to 2025. E20 is expected to be rolled out from April 2023 and aid in moderating the country's oil imports and carbon footprint. The Central Government proposed a gradual rollout of ethanol-blended fuel to achieve E10 fuel supply by April 2022 and a phased rollout of E20 from April 2023 to April 2025. The government intends to achieve an ethanol blending target of 10% in the current ethanol supply year of 2021-22.

Under the ethanol blending program in the country, the OMCs have allocated a total quantity of approximately 416.3 crore liter for procurement during ESY 2021–22 against the total requirement of 459 crore liter and contracts for a total quantity of 403 crore liters have already been signed.

Blending of 9.66% has already been achieved and the country is on course to achieve 10% blending during the ESY 2021-22.

Credit to the Government of India for promulgating and executing an ambitious Ethanol Blending Program (EBP) which aims to achieve multiple objectives such as making the country self-reliant in so far as its energy needs are concerned, reducing the carbon footprint, moderating sugar production and also improving the viability of sugar mills to enable them to timely pay the economically remunerative price for the sugar cane procured by them. This is also in line with the global trend of converting surplus food into energy. The sugar industry must be commended for enthusiastically participating in the Ethanol Blending Program (EBP) by setting up or increasing ethanol manufacturing capacities. Indian sugar sector is thus witnessing a paradigm shift – from sugar to bioenergy.

The Ethanol Blending Program (EBP) augurs well for the sugar industry. While season 2021-22 is expected to witness a sacrifice of 3.4 million tonnes of sugar in favor of ethanol, the game changing sacrifice is only going to increase in SS 2022-23 and thereafter more and more sugar companies are expected to produce ethanol directly from juice besides producing the same from B heavy molasses. The practice of using conventional C heavy molasses for producing ethanol which resulted in no sacrifice of sugar production is becoming redundant.

Early introduction of flex-fuel vehicles which can take higher percentages of ethanol, including running these vehicles on pure ethanol will only help achieve 20% blending target, because by 2025 E20 vehicles will constitute for around 25% of the fleet and therefore achieving 20% ethanol blending with petrol by then may seem to be a tall order. Brazil, which is a pioneer in this field, has achieved petrol to ethanol consumption ratio of 53:47 which is mainly thanks to large population of flex-fuel vehicles in the country.

Transactional / logistic challenges in ethanol procurement by oil marketing companies have been much lesser although the policy of oil marketing companies to prioritize ethanol made from non-molasses is rather opaque and creates needless confusion. It is also imperative that OMC's scale up their storage and blending capacities and also develop capacities at dispensing stations so as to achieve higher percentage of blending. It is also necessary that infrastructure is created for movement of ethanol by rail so that ethanol availability in far-east and other remote areas is improved and transportation costs are minimized.

The Central Government has played a significant role in addressing the fundamental problems plaguing the sugar industry in India. Hitherto whenever the industry faced problems and the cane arrears accumulated, the Government would arrange subsidized loans for the industry to help them clear the cane dues. The debt burden on the industry kept mounting and the industry never really could come out of the vicious vortex in which it found itself sucked. India is fundamentally a sugar surplus nation. This malady was rightly diagnosed and the Government drew an Ethanol blending program (EBP) for finding alternative uses of sugarcane juice to address the long-term woes of the industry and also, in the last few years, has worked to encourage sugar exports from India to address the problem of stock overhang in the country. As a result, the estimated closing stock of sugar during SS 2021-22 is expected to be less than 7 million tonnes (equivalent to 3 months consumption) vis-à-vis stock 14.6 million tonnes at the end of SS 2018-19. The Central Government continues to regulate the industry with a view to support it. The following interventions by the Central Government have augured well for the industry.

- Retention of minimum ex-factory selling price of sugar at ₹3,100 per quintal. Although the sugar prices in the last several months have been in excess of the MSP announced by the Government, yet the regulation has been able to discipline the industry and prevented sugar companies from panic selling below the threshold price.
- Monthly release mechanism to regulate and moderate the availability of sugar in the open market.
- Ethanol procurement price for Ethanol Season Year 2021-22 (November to October) fixed at ₹46.66 per liter for ethanol made from C-Heavy molasses, ₹59.08 per liter for ethanol made from B-Heavy molasses and ₹63.45 for ethanol produced directly from sugarcane juice. Higher price for ethanol made from sugarcane juice and B heavy molasses is to encourage sugar mills to sacrifice sugar production in favor of ethanol and thus moderate sugar stock levels.
- In view of the better international prices of sugar, the Government for the SS 2021-22, has done away with the quota system and subsidy for export. Regardless of the same, export performance of the industry has been impressive.

The Uttar Pradesh sugar industry – reality check

- After a hiatus of four seasons, sugarcane price for the SS 2021-22 (SAP) was increased by ₹25 per quintal across all varieties.
- During SS 2021-22 Uttar Pradesh is expected to produce 10.2 million tonnes of sugar as compared to 11.2 million tonnes produced in SS 2020-21 and 12.6 million tonnes produced in SS 2019-20. Estimated lower production is attributed to the following factors:

Unseasonal rainfalls in the month of September and resultant water-logging in low lying cane fields. This not only stunted the growth of sugarcane, but also constrained sucrose formation. This resulted in lower yields at the farms and lower recovery at sugar mills. Moreover, extremely cold and chilly winter over prolonged period with no significant difference between day and night temperatures did not help optimise the photosynthesis process, thus impacting the recovery. The recovery across Uttar Pradesh for seasons 2021-22 is expected to be lower by at least 20 to 50 basis points.

The menace of red rot pest more particularly in Central and Eastern Uttar Pradesh on variety Co 0238 negatively impacted the production by negating both yield as well as recovery. Massive efforts have been launched by sugar mills towards varietal replacement as well to ensure longevity of Co 0238 variety.

Sugar mills in Uttar Pradesh have been enthusiastic participants in the Ethanol blending programme (EBP). New capacities have been added and existing capacities expanded. This has resulted in significant sacrifice of sugar in favour of ethanol. While the exact quantum of sacrifice will be known only after the season has ended, as per available statistics not many sugar mills use the conventional C heavy molasses route for producing ethanol.

- Uttar Pradesh sugar mills have witnessed temperance in stock levels of sugar, owing to aggressive exports done by them last season and also on account of production of ethanol using B heavy molasses and sugarcane juice.
- On account of general good health of sugar companies cane price arrears amount has remained manageable this season as only a few groups continue delay in making the cane price payments.

Dwarikesh – Financial Scorecard:

(₹ in Lakhs)

Particulars	2021-22		2020-21	
	(₹ lakh)	(%)	(₹ lakh)	(%)
Income	1,97,723	100.00	1,84,594	100.00
EBITDA	29,396	14.87	20,835	11.29
EBDTA	26,230	13.27	16,070	8.71
EBT	21,867	11.06	11,980	6.49
EAT	15,522	7.85	9,154	4.96

- Total income during FY 2021-22 is up by 7.11% as compared to the revenue during 2020-21. Improvement in revenue growth is inferable to the increased releases under the monthly release mechanism administered by the Central Government & beneficial revenue mix with additional weightage to ethanol. It is worth mentioning that the share of revenue from distillery segment to the total net revenue is 16.52% as compared to 8.74% in the previous year. Distillery plant at DN unit worked at its rated capacity while in the previous year the benefits of expanded capacity were only for a part of the year.
- **EBIDTA**, during FY 2021-22 is ₹29,396 lakhs as compared to EBIDTA of ₹20,835 lakhs during previous FY, nearly 41% more. Higher EBIDTA as compared to previous FY is on account remunerative sales mix with higher share of sales from distillery segment as also better performance of sugar segment. EBIDTA recorded by the Company is the highest ever.
- **EBDTA**, during the year under review your company earned EBDTA of ₹26,230 lakhs as compared to ₹16,070 lakhs earned in the previous FY.
- **Earning before tax** is at ₹21,867 lakhs when viewed in conjunction with that of the previous FY ₹11,980 lakhs). **Highest EBT ever in the history of the Company.**
- **Earnings after tax** is at ₹15,522 lakhs, as compared to the earnings after tax of previous FY of ₹9,154 lakhs. Earnings after tax of ₹15,522 lakhs clocked is nearly 70% more than earnings after tax of the previous year.
- Your company's focus to rein in finance costs has been fruitful and the Company was able to rationalize finance costs.

Salient features:

- As against 378 lakh quintals during season 2020-21, your company is expected to crush around 375 lakh quintals of sugarcane during SS 2021-22. Up to 30th April, 2022 your company has crushed 350 lakh quintals of sugarcane. While the crushing operations at DD unit culminated on the 20th April, 2022, crushing at DN and DP unit is still continuing. However unseasonal & heavy rains & severe winter conditions with very little sunshine during winter months have dented the prospects of higher recovery.

Average gross recovery of the Company is estimated to be lesser as compared to last season, with gross recovery at DD unit lower by more than 65 basis points.

- During the SS 2021-22 company is generating B heavy molasses across all its units and thus expects to sacrifice in excess of 50,000 MTs of sugar production.
- The distillery at DN unit is optimally operational. During the ESY 2020-21, 46.0 million liters of ethanol and during FY 2021-22 55.7 million liters of ethanol was supplied to Oil Marketing Companies, a significant improvement over the previous ESY & FY. While expenditure for expansion of capacity at Distillery unit in DN unit was incurred in the earlier year, benefits are now conspicuous.
- **Your company has now embarked up on a distillery project at its DD unit, Bareilly district. The 175 KLPD distillery plant based on state of art technology will use sugarcane juice / syrup and B heavy molasses as feedstock. Envisaged cost of project is ₹232 crores. Project execution work is in advanced stages of completion and the project is expected to go on stream during June, 2022.**
- With DD distillery unit becoming operational, during season cane juice will be used as feedstock for producing ethanol and during off-season B heavy generated across all three units will be used as feedstock at both the distillery units. The sales mix & consequently the revenue stream of the Company is expected to undergo radical change in the coming years with distillery segment contributing to more than 30% of the total revenue.
- Long term debt profile: Out of soft loan of ₹134.48 crores availed under SEFASU 2018, funded by the State Government, balance on 30/4/2022 is ₹58.27 crores and out of distillery term loan availed of ₹116.88 crores for DN distillery unit, balance on the same date is ₹87.66 crores. Out of loan of ₹185.60 crores sanctioned for 175 KLPD distillery plant at DD unit, ₹131.57 crores has been availed till 30/4/2022. All term loans availed by the Company are at subsidized rate of interest.
- **Rating agency ICRA, has reaffirmed the long-term rating of the Company at [ICRA]A+ (pronounced ICRA A plus) and during the year has revised the outlook from 'stable' to 'positive'. The Company has the highest rating of A1 + also from ICRA for its CP program of ₹300 crores.**
- Sugar prices were range bound throughout the year. While there was spurt in the price between August, 2021 and November, 2021 the same moderated again with the arrival of sugar produced during SS 2021-22 in the market.
- During the year your company exported 25,000 MTs of raw sugar under the OGL scheme. It must be reiterated here that neither any quota was allocated to sugar mills nor was any subsidy given by Government for export, unlike in the previous years.
- Your company is constantly evaluating avenues of revenue maximization and cost optimization. Your company's name is synonymous with efficiency as the Company has clocked highest recoveries year after year by focusing on efficiency both in cane management & plant operations. Your company's commitment to efficiency enhancement is resolute & unwavering. It is a matter of concern that that the wonder variety Co 0238 has become prone to red rot pest attack, more so in Eastern & Central Uttar Pradesh. The same has had devastating effect on both sugar cane yield and sugar recovery. The command area of DD was also impacted. Efforts on war footing are on to replace the said variety in the command area of DD unit and it is expected that over the next three years the density of Co 0238 variety will be reduced to 30% and other newer & improved varieties increased to 70%. In the command areas of DN & DP units where the menace of red rot pest is not so alarming, efforts are on to increase the longevity of variety Co 0238 and simultaneously introduce newer varieties in a phased manner.

CANE & SUGAR POLICY

The main policies of the government in relation to the sugar industry during the year were:

a. The Fair & Remunerative Price (FRP) until SS 2017-18 was linked to a recovery of 9.50%. Effective SS 2018-19, FRP has been linked to a recovery of 10%. While the FRP for SS 2020-21 was ₹285 per quintal for SS 2021-22 the same stands increased to ₹290 per quintal again linked to a recovery of 10%.

b. Chronology of SMP/FRP announced by the Central Government on the basis of recovery is given herein under:

Season	SMP/F&RP ₹/ Quintal
2000-01(SMP)	59.50*
2001-02	62.05*
2002-03	64.50*
2002-03 (Revised)	69.50*
2003-04	73.00*
2004-05	74.50*

Season	SMP/F&RP ₹/ Quintal
2005-06	79.50&
2006-07	80.25&
2007-08	81.18&
2008-09	81.18&
2009-10 (SMP since replaced by F&RP)	129.84@
2010-11	139.12@
2011-12	145.00@
2012-13	170.00@
2013-14	210.00@
2014-15	220.00@
2015-16	230.00@
2016-17	230.00@
2017-18	255.00@
2018-19	275.00#
2019-20	275.00#
2020-21	285.00#
2021-22	290.00#

* Linked to recovery of 8.50%
& Linked to recovery of 9.00%
@ Linked to recovery of 9.50%
# Linked to recovery of 10.00%

c. All sugar mills in Uttar Pradesh are required to pay State Administered Price (SAP). For 4 successive crushing seasons up to the crushing season 2020-21 the State Government of Uttar Pradesh announced SAP, which remains unchanged @ ₹315 per quintal for general variety of Sugarcane, ₹325 per quintal for early variety of sugarcane & ₹310 per quintal for rejected variety of sugarcane. For crushing season 2021-22, State Government of Uttar Pradesh has announced increase of ₹25 per quintal across all varieties.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

During the year, the Company has embarked upon a project to set up a 175 KLPD distillery at its Dwarikesh Dham Unit, Dist. Bareilly, Uttar Pradesh. The proposed distillery will utilize sugarcane juice / syrup as its principal feedstock during the cane crushing season and turn to B Heavy molasses route (or grain) during the off season for continuous manufacture of ethanol. The project is under implementation & progress is as per schedule. It is likely to be completed & operational during June, 2022.

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

No significant & material orders have been passed impacting the going concern status & Company's operations in future.

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls commensurate with its size, scale and operations. Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Based on the results of such assessments carried out by the management, no reportable or significant deficiencies, no material weakness in the design or operation of any control was observed. Nonetheless your Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are re-enforced on an ongoing basis. The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

SHARE CAPITAL

The paid-up Equity Share Capital as at March 31, 2022 stood at ₹18.83 crores. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

As on March 31, 2022, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

COMMERCIAL PAPER

The Company had issued Commercial Paper during the year amounting to ₹250 crores. Out of the mentioned amount, ₹150 crores has already been redeemed & the balance outstanding stands at ₹100 crores.

EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013, the Company have placed a copy of the Extract of Annual Return of the Company in form MGT-9 on its website at: https://www.dwarikesh.com/pdf/2022/FORM-MGT-9-2021-22.pdf

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met five (5) times during the year on May 12, 2021; July 29, 2021; October 25, 2021; January 31, 2022 and March 29, 2022.

SUBSIDIARY COMPANY'S REPORT

The Company does not have any subsidiary in terms of provisions of Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions entered during the financial year were in the ordinary course of business and at arm's length basis. There were no materially significant Related Party Transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as required to be provided under Section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2 as **Annexure I**.

The Board of Directors of the Company on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the rules thereunder and the Listing Regulations and placed on below mentioned weblink: https://www.dwarikesh.com/pdf/2018/Related-Party-Transactions-Policy-1.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not made any loans or investments or given guarantees or provided securities under Section 186 of the Act during the year.

PUBLIC DEPOSITS

The Company did not have any fixed deposits at the beginning of the year nor has it accepted any deposited during the year in terms of Section 74 of the Companies Act, 2013.

MSME RETURN

MCA vide order dated 22nd January, 2019 directed all companies, who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed forty five days during the year. The Company is not required to file MSME Return as all payments have been done within prescribed time.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

In terms of the provision of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above rules are provided in **Annexure II**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Changes in Directors and Key Managerial Personnel

The term of Shri G. R. Morarka have expired on January 01, 2022 and after the performance evaluation and as per recommendation of Nomination & Remuneration Committee, he is proposed to be re-appointed for a term of 5 years in this AGM.

Shri B. J. Maheshwari, Managing Director & CS cum CCO, retiring by rotation & being eligible offers himself for reappointment.

Brief profile of the directors seeking appointment or re-appointment is annexed to the Notice of Annual General Meeting as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

During the year, Shri Alok Lohia resigned as the CFO of the Company w.e.f. June 29, 2021 & Shri Sunil Kumar Goel was appointed as the CFO of the Company in the Board meeting held on October 25, 2021 with immediate effect.

B. Declaration by an Independent Director(s), Re-Appointment & Meeting

Pursuant to the requirements of Section 149(7) of the Companies Act, 2013, the Company has received the declarations from all the independent directors confirming the fact that they all are meeting the eligibility criteria as stated in Section 149(6) of the Companies Act, 2013.

The Independent Directors met once i.e. on January 31, 2022. The Meeting was conducted without the presence of the Chairman, Executive Directors and any other Managerial Personnel.

C. Formal Annual Evaluation

Pursuant to the requirements of Section 134(3)(p) of the Companies Act, 2013 read with Regulation 17 of the listing regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of its Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

D. Policy on Directors' Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a Director, Key Managerial Personnel and other employees

In line with the principles of transparency and consistency, your Company has adopted the following policies which, inter alia includes criteria for determining qualifications, positive attributes and independence of a Director.

Policy on Directors appointment and remuneration is available on company's website at

https://www.dwarikesh.com/pdf/2018/Policy-on-Directors-Appointment-and-Remuneration.pdf

E. Statement of Director's Responsibilities

As required under the provisions of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the directors had prepared the annual accounts on a going concern basis;

e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement), Management Discussion and Analysis Report for the year under review is presented in a separate segment which is forming part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

Dwarikesh has been an early adopter of CSR initiatives. The Company works primarily through CSR trust, viz R R Morarka Charitable Trust, towards supporting projects in eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environmental sustainability, disaster relief and rural development projects.

Details of the CSR policy are available on our website at https://www.dwarikesh.com/pdf/2021/Policy-on-Corporate-Social-Responsibility.pdf A detailed Annual Report on CSR Activities undertaken by the Company during the year as prescribed under the Companies (Corporate Social Responsibility) Amendment Rules, 2021 is annexed herewith as **Annexure III**.

RISK MANAGEMENT POLICY

As per Regulation 21 of the SEBI Listing Regulations, the top 1000 listed entities, determined on the basis of market capitalization has to constitute a Risk Management Committee. Risk Management Committee of the Company is responsible to review and combat the risk on periodical basis. A detailed note on Risk Management policy, elements of risk and its mitigation is comprised in Corporate Governance Report.

VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy, as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, in the Board meeting held on May 9, 2014 so as to enable the Directors, Employees and all Stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provisions for direct access to the Chairman of Audit Committee. The details of the said policy is explained in the Corporate Governance Report and has been uploaded on the website of the Company at
https://www.dwarikesh.com/pdf/2018/Whistle-Blower-Policy.pdf

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

No complaints have been received during the year under review.

CORPORATE GOVERNANCE

As per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a report on Corporate Governance together with the Auditors Certificate regarding compliance of the conditions of corporate governance is provided under **Annexure IV**.

BOARD COMMITTEE

The Company has following mandatory Committees, viz,

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars in respect of conservation of energy, technology absorption and foreign exchange earnings & outgo are furnished in **Annexure V** and form a part of this report.

AUDITORS

A. STATUTORY AUDITORS & AUDITOR'S REPORT

M/s. NSBP & Co., Chartered Accountants, New Delhi (Firm Registration No. 001075N) who were appointed as the Statutory Auditors of the Company at the AGM held on 19th August, 2017 retires at this Annual General Meeting after completing their term of 5 years. As per Section 139(2) of the Companies Act, 2013, the Audit committee and board of directors have proposed and recommended to appoint **M/s. Mittal Gupta & Co., Chartered Accountants having Firm Reg. No. 01874C, Kanpur**, as statutory auditors of the Company by seeking members' approval for a term of 5 consecutive years. The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder. Also, peer review certificate have been obtained from the proposed Auditors.

The Auditors' Report for the financial year March, 2022 is unmodified, i.e, it does not contain any qualification, reservation, adverse remark or disclaimer. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the financial year under review.

B. COST AUDITORS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and rules made thereunder, the Board on the recommendation of the Audit Committee has re-appointed **M/s. Ramanath Iyer & Co**, Cost Accountants (Firm Regn No. 000019), as Cost Auditors to conduct cost audits relating to sugar, electricity and industrial alcohol for the year ended March 31, 2022. The Cost Accountants have confirmed that their appointment is within the limits of Section 141(3)(g) of the Act and free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

The Cost Audit Report for the financial year March, 2021 did not contain any qualification, reservation, adverse remark or disclaimer. The Cost Audit Report for the year end March, 2022 shall be made available by Cost Auditors on or before September 30, 2022.

C. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed **M/s. VKM & Associates**, a Practicing Company Secretary (Certificate of Practice no. 4279), Secretarial Auditor to undertake the Secretarial Audit of the Company for the year ended March 31, 2022. The Secretarial Audit Report is appended to this Report as **Annexure VI**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

BUSINESS RESPONSIBILITY REPORT

As per SEBI (LODR), Fifth Amendment Regulations, 2019, Business Responsibility Report is mandatory for Top 1000 listed Companies. Our ranking based on Market Capitalization as on 31.03.2022 on BSE is 681 and at NSE is 661. Business Responsibility Report is annexed by way of **Annexure VII**.

ACKNOWLEDGEMENT

Your directors wish to place on record their sincere gratitude and appreciation to its members, sugar cane growers, employees, bankers, financial institutions, Central & State Government Agencies for their valuable contribution in the growth of the organization.

On **behalf of the Board of Director**

	B. J. Maheshwari	**Vijay S. Banka**
Place: Mumbai	Managing Director & CS cum CCO	Managing Director
Date: May 2, 2022	(DIN: 00002075)	(DIN: 00963355)

ANNEXURE – I

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

(a)	Name(s) of the related party and nature of relationship	Morarka Finance Limited
(b)	Nature of contracts/ arrangements/ transactions	Lease of office premises
(c)	Duration of the contracts arrangements/transactions	Five years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	For company's Mumbai based corporate office, the premises of related party – Morarka Finance Limited is taken on Leave & License for five years, rent of ₹18,28,764/- paid for the year ended 31st March, 2022 with clause of increasing the same at an interval of 1 year.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	Morarka Finance Limited
(b)	Nature of contracts/ arrangements/ transactions	Management consultancy services
(c)	Duration of the contracts arrangements/ transactions	--
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	To assist the Company in corporate advisory services, arrangement of finance from other banks, NBFCs, financial institutes, NBFIs etc at the fees of ₹46,02,000/- paid for the year ended 31st March, 2022.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	Dwarikesh Trading Company Limited
(b)	Nature of contracts/ arrangements/ transactions	Lease of premises
(c)	Duration of the contracts arrangements/ transactions	--
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	For company's Mumbai based operations, the premises of related party – Dwarikesh Trading Company Ltd is taken on Leave & License, rent of ₹80,28,720/- paid for the year ended 31st March, 2022 with clause of increasing the same at an interval of 1 year.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	Dwarikesh Trading Company Limited
(b)	Nature of contracts/ arrangements/ transactions	Lease of premises
(c)	Duration of the contracts arrangements/ transactions	--
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Lease of Company's premises at Jorbagh, New Delhi to Dwarikesh Trading Company Ltd given on 99 years lease from June 1, 2011 at rent of ₹2,40,000/- p.a. received during the year ended 31st March, 2022.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	Dwarikesh Informatics Limited
(b)	Nature of contracts/ arrangements/ transactions	Website updates and maintenance
(c)	Duration of the contracts arrangements/ transactions	--
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Company's website www.dwarikesh.com being maintained and updated with regular updates pertaining to company's operations and other shareholders information and regulatory updates at ₹80,24,000/- for the year ended 31st March, 2022.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	Priyanka G. Morarka
(b)	Nature of Contracts/ arrangements/ transactions	Appointment and remuneration as President Corporate Affairs
(c)	Duration of the contracts arrangements/ transactions	--
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	She has been appointed as President Corporate Affairs at the remuneration of ₹43,28,388/- (excluding Company's contribution to PF ₹2,22,300/- paid for the year ended 31st March, 2022.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	R. R. Morarka Charitable Trust
(b)	Nature of contracts/ arrangements/ transactions	Construction/Acquisition of Assets
(c)	Duration of the contracts arrangements/ transactions	--
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	For construction/ acquisition of assets or for any other activity company has paid ₹2,21,65,362/- for the year ended 31st March, 2022.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	Morarka Finance Limited
(b)	Nature of contracts/ arrangements/ transactions	Exempted Deposit received as on 23rd July, 2021
(c)	Duration of the contracts arrangements/ transactions	23/07/2021 to 08/11/2021
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Exempted Deposit was granted by Morarka Finance Limited for an amount of ₹2,30,00,000/- dated 23.07.2021 which was repaid as on 08.11.2021 for the year ended 31st March, 2022.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	Dwarikesh Trading Company Limited
(b)	Nature of contracts/ arrangements/ transactions	Exempted Deposit received as on 23rd July, 2021
(c)	Duration of the contracts arrangements/ transactions	23/07/2021 to 08/11/2021
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Exempted Deposit was granted by Dwarikesh Trading Company Limited for an amount of ₹2,80,00,000/- dated 23.07.2021 which was repaid as on 08.11.2021 for the year ended 31st March, 2022.
(e)	Date(s) of approval by the Board, if any:	--

(a)	Name(s) of the related party and nature of relationship	G. R. Morarka
(b)	Nature of contracts/ arrangements/ transactions	Exempted Deposit received as on 23rd July 2021
(c)	Duration of the contracts arrangements/ transactions	23/07/2021 to 08/11/2021
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Exempted Deposit was granted by Shri G. R. Morarka from his own funds for an amount of Rs.5,00,00,000/- dated 23.07.2021 which was repaid as on 08.11.2021 for the year ended 31st March, 2022.
(e)	Date(s) of approval by the Board, if any: --	--

On **behalf of the Board of Director**

B. J. Maheshwari
Managing Director & CS cum CCO
(DIN: 00002075)

Vijay S. Banka
Managing Director
(DIN: 00963355)

Place: Mumbai
Date: May 2, 2022

ANNEXURE – II

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

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

Name of Director	Designation	Ratio to median employees' remuneration
Shri G. R. Morarka	Executive Chairman	142.31:1
Shri Vijay S. Banka	Managing Director	29.44:1
Shri B. J. Maheshwari	Managing Director & CS cum CCO	29.50:1
Shri B. K. Agarwal	Independent Director	1.31:1
Shri K. N. Prithviraj	Independent Director	0.94:1
Ms. Nina Chatrath	Independent Director	0.94:1
Shri Gopal B. Hosur	Independent Director	0.94:1
Shri Rajan K. Medhekar	Independent Director	0.94:1

Remuneration includes all remuneration excluding exempt allowances under Income Tax Act & Company's Contribution to PF & PF administration & EDLI charges.

a) Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2021-22:

Name of Director	Designation	Percentage increase/ (decrease) in remuneration
Shri G. R. Morarka	Executive Chairman	27%
Shri Vijay S. Banka	Managing Director	10%
Shri B. J. Maheshwari	Managing Director & CS cum CCO	10%
Shri Sunil Kumar Goel**	Chief Financial Officer (CFO)	6%

** Shri Alok Lohia resigned as the CFO of the Company w.e.f. June 29, 2021 & Shri Sunil Kumar Goel was appointed as the CFO of the Company in the Board meeting held on October 25, 2021.

b) Percentage increase in median remuneration of employee in the financial year 2021-22:

There is increase of 4.98% in median remuneration of employee during the current accounting year of 12 months over the previous accounting period consisting of 12 months. The increase is considered to be reasonable.

c) Permanent employees

As on 31st March, 2022, the Company has on its payroll 771 permanent employees excluding seasonal employees.

d) Affirmation that the remuneration is as per the remuneration policy of the Company

Remuneration paid to Managing Director & Whole Time Director is as per approved policy of the Company.

A Statement showing the name of every employee of the Company, who-

- If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One crore & twenty lakh rupees; **3 (Shri G. R. Morarka, Executive Chairman,**

Shri Vijay S. Banka, Managing Director & Shri B. J. Maheshwari, Managing Director & CS Cum CCO).

- If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight lakh fifty thousand rupees per month: **Not Applicable.**
- If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: **NIL**

B. 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: **There is increase of 5% in average amongst employees & increase of 10% in managerial remuneration of Managing Directors & increase of 27% in Executive Chairman's remuneration. The increase /decrease in managerial remuneration is commensurate with the trend in peer groups as well as considering the efforts, time, skill put in by employees, Managing Directors & Executive Chairman**.

C. Details of remuneration with break-up of components paid to Executive Chairman & Managing Directors, terms of appointment are stated in Corporate Governance Report.

On **behalf of the Board of Director**

	B. J. Maheshwari	**Vijay S. Banka**
Place: Mumbai	Managing Director & CS cum CCO	Managing Director
Date: May 2, 2022	(DIN: 00002075)	(DIN: 00963355)

ANNEXURE – III

Annual Report on Corporate Social Responsibilities (CSR) Activities

1. Brief outline on CSR Policy of the Company:

The Board of Directors (Board) adopted the CSR Policy on May 09, 2014 which is available on the Company's website. The Company has been doing innumerable works for social cause in the sphere of education, health and other charitable activities even before this clause had come into force. The vision is to empower the community through socio- economic development of under-privileged and weaker sections.

Company has been carrying out its various CSR activities through the trust R.R. Morarka Charitable Trust, which is a registered trust. The Company's main focus is promoting Education & Healthcare and is committed to spending majorly in these areas through R.R. Morarka Charitable Trust.

The trusts through which the Company is carrying out its various CSR activities have been registered with the Registrar as per the provisions of CSR Amendment Rules, 2021.

2. The 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 of meetings of CSR Committee attended during the year
1.	Shri B. K. Agarwal	Non-Executive Independent Director	4	4
2.	Shri G. R. Morarka	Executive Director	4	4
3.	Shri B. J. Maheshwari	Executive Director	4	4
4.	Shri Vijay S. Banka	Executive Director	4	4
5.	Shri K. N. Prithviraj	Non-Executive Independent Director	4	4
6.	Ms. Nina Chatrath	Non-Executive Independent Director	4	4
7.	Shri Gopal B. Hosur	Non-Executive Independent Director	4	4
8.	Shri Rajan K. Medhekar	Non-Executive Independent Director	4	4

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

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

https://www.dwarikesh.com/pdf/2021/Policy-on-Corporate-Social-Responsibility.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

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in lakhs)	Amount required to be set- off for the financial year, if any (₹ in lakhs)
1.	2019-20	183.47	-
2.	2020-21	29.34	-
3.	2021-22	6.00	-
	TOTAL	**218.81**	**-**

6. Average net profit of the Company as per section 135(5): ₹1,08,05,99,391/-

7.
(a) **Two percent of average net profit of the Company as per section 135(5):** ₹2,16,11,988/-

(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):** ₹2,16,11,988/-

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 theFund	Amount	Date of transfer
2,98,70,664/-	Nil	-	-	Nil	-

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	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 - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent in the current financial Year (₹ in lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Education	Item (2)	No	Rajasthan	Jhunjhunu	221.65	No	R. R. Morarka Charitable Trust	CSR00000614
				Uttar Pradesh	Bijnor				
2.	Health Care	Item (1)	No	Uttar Pradesh	Bijnor, Amethi & Bareilly	76.50	Yes		
				Rajasthan	Jhunjhunu				
3	Plantation work	Item (4)	No	Uttar Pradesh	Bijnor & Bareilly	0.55	Yes		
	TOTAL					298.70			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹2,98,70,664/-

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	2,16,11,988
(ii)	Total amount spent for the Financial Year	2,98,70,664
(iii)	Excess amount spent for the financial year [(ii)-(i)]	82,58,676
(iv)	Surplus arising out of the CSR projects or program or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	82,58,676

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sr. 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	
1.	-	-	-	-	-	-	-
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. 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 / Ongoing
1.	-	-	-	-		-	-	-
	TOTAL							

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): Not Applicable

(a) Date of creation or acquisition of the capital asset(s):

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

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

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

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

A responsibility statement of the CSR Committee:

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

On **behalf of the Board of Director**

	B. J. Maheshwari	**B. K. Agarwal**
Place: Mumbai	Managing Director & CS cum CCO	Chairman of the CSR Committee
Date: May 2, 2022	(DIN: 00002075)	(DIN: 00001085)

ANNEXURE IV

Corporate Governance Report

Introduction: Corporate Governance is the mechanism by which the values, principles, management policies and procedures of a corporation are made manifest in the real world. It contemplates fairness, transparency, accountability and responsibility in the functioning of the Management and the Board of Companies. Corporate Governance is based on preserving core beliefs and ethical business conduct while maintaining a strong commitment to maximize long-term stakeholder value.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company has implemented and continuously tries to improve the Corporate Governance Practices with an attempt to meet stakeholders' expectations' and Company's societal commitments through high standards of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting the business and finally with strict compliance of regulatory guidelines on Corporate Governance.

"Transparency, honesty, efficiency, complete and timely disclosure and sustained enhancement of shareholders value, justice to vendors, employees and the society at large are the cardinal principles of Corporate Governance for your Company".

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as "Listing Regulations") is given below:

2. BOARD OF DIRECTORS

Composition of Board of Directors and Category:

In compliance with provision of Companies Act, 2013, as amended from time to time (hereinafter referred to as "the Act") and Regulation 17 of Listing Regulations, the Board has an optimum combination of Executives and Non-Executive Directors with an Executive Chairman and more than half of the Board comprises of Non-Executive Independent Director including woman Independent Director to maintain the independence of the Board.

As on 31st March, 2022 the Board consisted of 8 Directors as follows:

Name of the Director	Category	No. of other Directorship @	No of membership of other Board committee@	No of Board Committee for which Chairman@	No. of Equity shares held
Shri G. R. Morarka	Executive Chairman (Whole Time Director)	4	1	–	2,85,67,590
Shri B. K. Agarwal	Non-Executive Independent Director	–	–	–	–
Shri K. N. Prithviraj	Non-Executive Independent Director	1	-	–	–
Ms. Nina Chatrath	Non-Executive Independent Director	1	–	–	–
Shri B. J. Maheshwari	Managing Director & CS cum CCO	3	1	1	–
Shri Vijay S Banka	Managing Director	2	2	–	–
Shri Gopal B. Hosur	Non-Executive Independent Director	–	–	–	–
Shri Rajan K. Medhekar	Non-Executive Independent Director	2	2	–	–

@ In accordance with Listing Regulations, directorships of only public limited companies have been considered. The directorships in section 8 companies and private companies have been excluded. Further, memberships & chairmanships of only Audit committee and Stakeholders Relationship Committee of all Public Limited Companies (excluding Dwarikesh Sugar Industries Limited) have been considered.

As required under Schedule V of Listing Regulations, following is the List of Listed Entities where the person is a Director and the category of its Directorship:

Director	Listed Entity	Category of Directorship
Shri G. R. Morarka	Morarka Finance Limited	Promoter Director
Shri B. J. Maheshwari	Morarka Finance Limited	Independent Non-Executive Director
Shri Vijay S. Banka	Morarka Finance Limited	Independent Non-Executive Director
Shri Rajan K. Medhekar	SIS Limited	Independent Non-Executive Director
	Geojit Financial Services Ltd	Independent Non-Executive Director
Ms. Nina Chatrath	Oriental Hotels Ltd.	Independent Non-Executive Director

As mandated by Regulation 26 of LODR Regulations, none of the directors are Members of more than 10 Committees nor are they Chairperson of more than 5 committees in which they are Directors.

Attendance of each Director at the Board Meetings and the Last Annual General Meeting:

During the year ended 31st March, 2022, 5 (Five) Board Meetings were held: May 12, 2021; July 29, 2021; October 25, 2021; January 31, 2022 and March 29, 2022. The attendance of each director at these Board meetings and the last Annual General Meeting (AGM) were as follows:

Name of the Directors	No. of Board meeting attended	Attendance at Last AGM held on July 20, 2021
Shri G.R. Morarka	5	Yes
Shri B. K. Agarwal	5	Yes
Shri B. J. Maheshwari	5	Yes
Shri Vijay S. Banka	5	Yes
Shri K. N. Prithviraj	5	Yes
Ms. Nina Chatrath	5	Yes
Shri Gopal B. Hosur	5	Yes
Shri Rajan K. Medhekar	5	No

Inter-se relationship:

There are no inter-se relationship between the Board members.

Number of shares held by Non- Executive Directors:

The non-executive directors of the Company do not hold any shares in the Company.

Familiarization Program:

In terms of Regulation 25 of the Listing Regulations, the Company is required to conduct various program for the Independent Directors of the Company to familiarize them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The details of such program for familiarization of the Independent Directors are put on the website of the Company at the following web-link: https://www.dwarikesh.com/pdf/2021/Familiarisation-Programme-for-Independent-Directors.pdf

Skills/Expertise/Competence of Board of Directors:

In order to ensure effective functioning of the Company, the Board requires specialized knowledge, experience and expertise in the areas such as:

Nomination and Remuneration Committee while considering of appointment of any person as Director ensure that he possess the skills as required for the efficient functioning of the Company and all other qualifications as prescribed under Listing Regulations and the Act and also such other skills, positive attributes etc. which may be fruitful in enhancing the growth of Company, which is then recommended to Board for their approval.

Director	Category of Directorship	List of core skill expertise and competence
Shri G.R. Morarka	Executive Chairman	Strategic Management, Cost Accounting
Shri B. J. Maheshwari	Managing Director & CS cum CCO	Accounts, Secretarial, Corporate Law, Taxations
Shri Vijay S. Banka	Managing Director	Strategic Management, Finance, Accounting
Shri B. K. Agarwal	Non-Executive Independent Director	Law, Commerce & Strategy
Shri K. N. Prithviraj	Non-Executive Independent Director	Banking, Finance & Economics
Ms. Nina Chatrath	Non-Executive Independent Director	Business Management and Leadership Consultancy
Shri Gopal B. Hosur	Non-Executive Independent Director	Security, Intelligence & Administration
Shri Rajan K. Medhekar	Non-Executive Independent Director	Security, Intelligence & Administration

Independent Directors:

A statement, in connection with fulfilling the criteria of Independence and directorships as per the requirement of the provisions of the Act and Regulation 25 of Listing Regulations received from each of Independent Directors, is disclosed in the Board's Report. Your Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Act. Terms and Conditions for appointment of Independent Directors are available on the website of the Company at

https://www.dwarikesh.com/pdf/2022/Terms-of-Appointments-of-Independent-Directors.pdf

During the year under review, no Independent Director had resigned from the Company.

3. COMMITTEES OF BOARD

A. AUDIT COMMITTEE

Pursuant to Regulation 18 of Listing Regulations read with provisions of Section 177 of the Act, the Committee was constituted on 13th January, 2001. Composition of committee is represented below. All members are eminent in their field and also financially literate. Shri B. K. Agarwal is Chairperson of the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting to answer queries of Shareholders.

Shri B. J. Maheshwari being a Company Secretary of the Company acts as the Secretary to the Committee.

Terms of Reference:

The terms of reference of the Audit Committee includes matters which are set out in Regulation 18 read with Part C of Schedule II of the Listing Regulations read with Section 177 of the Companies Act, 2013 which inter alia consist of the following:

a) oversight the Company's financial reporting procedure and the disclosure of its financial information.

b) to examine the Financial Statement and the Auditor's Report on it.

c) recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.

d) to review and monitor the Auditor's independence and performance, effectiveness of the audit process.

e) approval or any subsequent modification of the transactions of the Company with related parties.

f) to scrutinize inter corporate loans and investments.

g) valuation of undertakings or assets of the Company, wherever it is necessary.

h) to evaluate the Internal Financial Controls and Risk Management System.

i) to monitor the end use of funds raised through public offers and related matters.

j) to review the whistle blowing mechanism.

The Committee also reviews the observations of the Internal and Statutory Auditors, along with the comments and action taken thereon by the Management and invites senior executives to its Meetings as necessary.

Constitution of Audit Committee as on 31st March, 2022:

1.	Shri B. K. Agarwal	(Chairperson)	Non-Executive Independent Director
2.	Shri Vijay S. Banka	(Member)	Managing Director
3.	Shri K. N. Prithviraj	(Member)	Non-Executive Independent Director
4.	Ms. Nina Chatrath	(Member)	Non-Executive Independent Director
5.	Shri Gopal B. Hosur	(Member)	Non-Executive Independent Director
6.	Shri Rajan K. Medhekar	(Member)	Non-Executive Independent Director

Meeting and Attendance

During the year ended March 31, 2022, Four (4) Audit Committee Meetings were held May 12, 2021; July 29, 2021; October 25, 2021 & January 31, 2022.

Name of the Directors	No of meeting attended
Shri Vijay S. Banka	4
Shri K. N. Prithviraj	4
Shri B. K. Agarwal	4
Ms. Nina Chatrath	4
Shri Gopal B. Hosur	4
Shri Rajan K. Medhekar	4

B. NOMINATION AND REMUNERATION COMMITTEE

In terms of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Nomination & Remuneration Committee was formed on 22nd October, 2001. Composition of committee is represented below, including its Chairman, namely Shri K. N. Prithviraj (Chairman of the Committee).

Shri B. J. Maheshwari, the Company Secretary of the Company acts as the Secretary to the Committee.

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in line with the regulatory requirements mandated in the Act and Part D of Schedule II of the Listing Regulations, which are as follows:

- to formulate criteria for determining qualifications, positive attributes and independence of a director.
- to recommend the Board a policy, relating to the remuneration of the Directors, Key Managerial personnel and other employees.
- to formulate the criteria for evaluation of Independent Directors and the Board.
- to devise a policy on Board diversity.
- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, etc.

The non-executive directors do not draw any remuneration from the Company except payment by way of sitting fees for attending the board / committee meetings.

Composition of Nomination & Remuneration Committee as on 31st March, 2022:

1.	Shri K. N. Prithviraj	(Chairperson)	Non-Executive Independent Director
2	Shri B. K. Agarwal	(Member)	Non-Executive Independent Director
3	Ms. Nina Chathrath	(Member)	Non-Executive Independent Director
4	Shri Gopal B. Hosur	(Member)	Non-Executive Independent Director
5	Shri Rajan K. Medhekar	(Member)	Non-Executive Independent Director

Meeting and Attendance:

During the year ended 31st March, 2022, Four (4) Nomination and Remuneration committee meetings were held on May 12, 2021; October 25, 2021; January 31, 2022 and March 29, 2022.

Name of the Directors	No of meeting attended
Shri B. K. Agarwal	4
Shri K. N. Prithviraj	4
Ms. Nina Chathrath	4
Shri Gopal B. Hosur	4
Shri Rajan K. Medhekar	4

Performance Evaluation Criteria for Independent Directors:

The performance evaluation of Independent Directors was based on various criteria, inter alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends etc.

The manner in which the annual performance evaluation is done by the Board including the criteria for the same is discussed in detail in Directors Report.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 of the Act and Regulation 20 of the Listing Regulations, Stakeholders' Relationship Committee was constituted on 17th March, 2001 to oversee the matters relating to redressal of Stakeholder complaints pertaining to issue of duplicate shares, transfer of shares, non-receipt of Annual Report, non- receipt of declared dividends etc.

Composition of Committee is listed below including the Chairman of the Committee, namely Shri B. K. Agarwal, and two Executive Directors of the Company.

Shri B. J. Maheshwari, Company Secretary is designated as Chief Compliance officer of the Company.

Composition of Stakeholders' Relationship Committee as on 31st March, 2022:

1.	Shri B. K. Agarwal	(Chairperson)	Non-Executive Independent Director
2	Shri Vijay S. Banka	(Member)	Managing Director
3.	Shri B. J. Maheshwari	(Member)	Managing Director & CS cum CCO
4.	Ms. Nina Chatrath	(Member)	Non-Executive Independent Director
5.	Shri K. N. Prithviraj	(Member)	Non-Executive Independent Director
6.	Shri Gopal B. Hosur	(Member)	Non-Executive Independent Director
7.	Shri Rajan K. Medhekar	(Member)	Non-Executive Independent Director

The role of the Stakeholders Relationship Committee shall, inter-alia, include the following:

1. To consider and resolve investors grievances or shareholders grievances.
2. To appoint Registrars and Share Transfer Agent.
3. To transfer, transmit, consolidate, issue duplicate share certificates, split share certificates, etc.
4. To consider and resolve complaints of Shareholders regarding non-receipt of Annual Report and non- receipt of Declared dividend etc.
5. To perform all functions relating to the interest of the stakeholders of the Company as may be required by the provisions of the Act and the rules made thereunder, Listing Regulations and the guidelines issued by SEBI or any other regulatory authority.
6. To approve share transfers and/or delegation thereof.

The Stakeholders Relationship Committee are also required to submit their reports / suggestions to the Board of Directors of the Company from time to time.

Meeting and Attendance

During the year ended 31st March, 2022, Four (4) Stakeholder and Relationship committee meetings were held on May 12, 2021; July 29, 2021; October 25, 2021 & January 31, 2022.

Name of the Directors	No of meeting attended
Shri B. K. Agarwal	4
Shri Vijay S. Banka	4
Shri B. J. Maheshwari	4
Ms. Nina Chatrath	4
Shri K. N. Prithviraj	4
Shri Gopal B. Hosur	4
Shri Rajan K. Medhekar	4

As per Section 178(7) of the Act and Secretarial Standards, the Chairman of the Committee attended the Annual General Meeting of the Company held on July 20, 2021.

Complaints & Share Transfer:

During the year ended 31st March, 2022, no complaints were received except one investors grievance regarding the non receipt of dividend & the same has been satisfactorily replied. No complaints were pending at the beginning or at the end of the year. The Company has acted upon all valid requests for share transfer received during the year and no such transfer is pending.

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Committee was constituted, under the provision of Section 135 of the Act and Listing Regulations, on 13th August, 2014 so as to assist the Board in discharge its social responsibilities by way of formulating and monitoring implementation of the framework of CSR Policy as specified in Schedule VII of the Act and recommending the amount of expenditure to be incurred.

It consists of eight members, out of which five are Non-executive Independent Directors including the Chairman of the Committee, namely Shri B. K. Agarwal, and three are Executive Directors of the Company.

Composition:

1.	Shri B. K. Agarwal	(Chairperson)	Non-Executive Independent Director
2	Shri Vijay S. Banka	(Member)	Managing Director
3.	Shri B. J. Maheshwari	(Member)	Managing Director & CS cum CCO
4.	Shri G. R. Morarka	(Member)	Executive Chairman
5.	Shri K. N. Prithviraj	(Member)	Non-Executive Independent Director
6.	Ms. Nina Chatrath	(Member)	Non-Executive Independent Director
7.	Shri Gopal B. Hosur	(Member)	Non-Executive Independent Director
8.	Shri Rajan K. Medhekar	(Member)	Non-Executive Independent Director

Meeting and Attendance

During the year ended 31st March, 2022, Four (4) Corporate Social Responsibility committee meetings were held on May 12, 2021; July 29, 2021; October 25, 2021 & January 31, 2022.

Name of the Directors	No of meeting attended
Shri B. K. Agarwal	4
Shri Vijay S. Banka	4
Shri B. J. Maheshwari	4
Shri G. R. Morarka	4
Shri K. N. Prithviraj	4
Ms. Nina Chatrath	4
Shri Gopal B. Hosur	4
Shri Rajan K. Medhekar	4

The details of CSR initiatives undertaken by the Company are provided in the CSR Annual Report annexed to the Directors Report.

E. RISK MANAGEMENT COMMITTEE

The risk management committee was constituted by the Board of Directors as on February 13, 2015, as per the requirement of the Regulation 21 of Listing Regulations, comprising of two Executive Directors & one Non-Executive Independent Director.

1.	Shri B. K. Agarwal	(Chairperson)	Non-Executive Independent Director
2	Shri G. R. Morarka	(Member)	Executive Chairman
3.	Shri B. J. Maheshwari	(Member)	Managing Director & CS cum CCO

Shri B. K. Agarwal, Independent Director of the Company has been appointed as the Chairman of the Committee.

Objectives and responsibilities of the Committee

The primary objectives of the Committee are to assist the Board in the following:

i. To assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of various risks;

ii. To periodically assess risks to the effective execution of business strategy by reviewing key leading indicators in this regard;

iii. To periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;

iv. To evaluate risks related to cybersecurity and ensure appropriate procedures are in place to mitigate these risks in a timely manner.

Meeting and Attendance

During the year ended 31st March, 2022, Two (2) meetings were held on October 29, 2021 & January 31, 2022.

Name of the Directors	No of meeting attended
Shri B. K. Agarwal	2
Shri B. J. Maheshwari	2
Shri G. R. Morarka	2

4. REMUNERATION OF DIRECTORS

The details of remuneration paid or provided to the Directors of the Company for the year ended 31st March, 2022 are provided below:

A. EXECUTIVE DIRECTORS:

Shri G. R. Morarka was appointed as Whole Time Director designated as Executive Chairman of the Company, w.e.f. January 01, 2019 in the Board Meeting held on December 17, 2018. Thereafter the appointment was approved by members of the Company in the Annual General meeting held on September 5, 2019. His term expired on December 31, 2022 & is proposed to be re-appointed for a term of 5 years in this AGM.

Shri Vijay S. Banka is Managing Director of the Company and Shri B. J. Maheshwari is Managing Director & CS cum CCO of the Company.

1. Remuneration to Managing Directors

Particulars	(₹ in lakhs)
Salary	237.18
Ex Gratia & Interim Bonus	6.75
Leave Encashment	11.69
Commission	-
Total	**255.62**
Company's Contribution to P.F. (exempted allowance)	6.66

2. Remuneration to Executive Chairman

Particulars	(₹ in lakhs)
Salary	240.02
Other Allowances	-
Gratuity	-
Leave Salary	5.10
Commission	500.00
Interim Bonus	-
Total	**745.12**
Company's Contribution to P.F. (exempted allowance)	15.62

1. Shri B.J. Maheshwari & Shri Vijay S. Banka had been re-appointed as Managing Director & CS cum CCO and Managing Director respectively of the Company for a period of 3 years, i.e, till April 30, 2024.
2. Shri G. R. Morarka has been re-appointed for a period of 5 years w.e.f. January 01, 2022, subject to shareholders approval in the AGM.
3. The remuneration of the Executive Directors of the Company is fixed by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of the Company and also approved by Shareholders of the Company.

B. NON-EXECUTIVE DIRECTORS:

(₹ in lakhs)

Name of the Director	Sitting fees	Commission Payable	Total Payments paid / Payable in 2021-22
Shri B. K. Agarwal	5.70	---	5.70
Shri K. N. Prithviraj	4.10	---	4.10
Ms. Nina Chatrath	4.10	---	4.10
Shri Gopal B. Hosur	4.10	---	4.10
Shri Rajan K. Medhekar	4.10	---	4.10

1. Shri B. K. Agarwal, Shri K.N. Prithviraj & Ms. Nina Chatrath, Independent Non-Executive Directors of the Company, have a term of appointment of five years.
2. Shri Gopal B. Hosur & Shri Rajan K. Medhekar have been appointed as Independent Non-Executive Directors of the Company in the Annual General Meeting of the Company held on July 20, 2021.
3. They were paid sitting fees of ₹50,000/- for attending every meeting of Board of Directors of the Company and ₹10,000/- for attending every Committee Meeting of the Company.
4. None of the Non-Executive Directors of the Company had any pecuniary relationship or transactions vis- à-vis the Company.

Notes:

1. There is no notice period for Directors of the Company.
2. No stock options have been granted to any directors of the Company.
3. Severance fees is nil.
4. For Executive Directors of the Company, Performance Pay is the only component of remuneration that is performance-linked. All other components are fixed.

5. GENERAL BODY MEETINGS

Location and time, where last Annual / Extra Ordinary General Meetings were held during last 3 years is given below:

Financial Year	Date	Location of the Meeting	Time	AGM/ EGM
2018-19	September 5, 2019	Dwarikesh Nagar – 246 762 District: Bijnor, Uttar Pradesh	12.30 p.m.	AGM
2019-20	August 11, 2020	Conducted through VC	11.00 a.m.	AGM
2020-21	July 20, 2021	Conducted through VC	11.00 a.m.	AGM

Special resolutions passed in General Meetings during last 3 years:

Date	Particulars
5th September, 2019	a. Alteration of Articles of Association of the Company.
	b. Appointment of Shri G. R. Morarka (DIN: 00002078) as Whole Time Director Designated as Executive Chairman of the Company
11th August, 2020	a. To re-appoint Shri K. N. Prithviraj as an Independent Director of the Company.
	b. To re-appoint Ms. Nina Chatrath as an Independent Director of the Company appointed in casual vacancy of Ms. Malathi Mohan.
	c. To re-appoint Shri B. K. Agarwal as an Independent Director of the Company.
	d. Alteration of remuneration of Ms. Priyanka G. Morarka holding office or place of profit, as President (Corporate Affairs).

Details of Special Resolution Passed through Postal Ballot

No Special Resolution was passed through postal ballot for year ended 31st March, 2022 and no special resolution is proposed to be conducted through Postal Ballot.

6. MEANS OF COMMUNICATION

Quarterly Results: The Company's quarterly results as prescribed by the Stock Exchanges pursuant to Regulation 33, 47 and 52 of the Listing Regulations are approved and taken on record by the Board within the prescribed time frame and sent forthwith to all Stock Exchanges on which the Company's shares are listed. These results are being published in leading newspapers i.e, Business Standard for English and Shah times for Hindi.

Website: As per the requirements of Regulation 47 of the Listing Regulations, all the data related to quarterly financial results, shareholding pattern, presentation made to institutional investors or to the analysts etc. is filed with stock exchanges and also displayed on the Company's website: **(www.dwarikesh.com)** within the time prescribed in this regard. The Company's website also displays the official news releases.

Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

7. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	28th Annual General Meeting
Date, Time and Venue	Thursday, 30th June, 2022 at 11.30 a.m. through Video Conferencing (VC) or other Audio-Visual Means (OAVM)
Financial Calendar Particulars (April - March) (tentative and subject to change)	The financial year of the Company is from 1st April to 31st March every year
First Quarter Results	On or before 14th August, 2022
Second Quarter Results	On or before 14th November, 2022
Third Quarter Results	On or before 14th February, 2023
Last Quarter Results	On or before 30th May, 2023
Dates of Book Closure	Friday, June 24, 2022 to Thursday, June 30, 2022 (both days inclusive).
Dividend Payment Date	Dividend if any, Will be paid within 30 days of AGM
Listing Details	As mentioned below

The details of the Stock Exchanges on which the Company's shares are listed are as under:

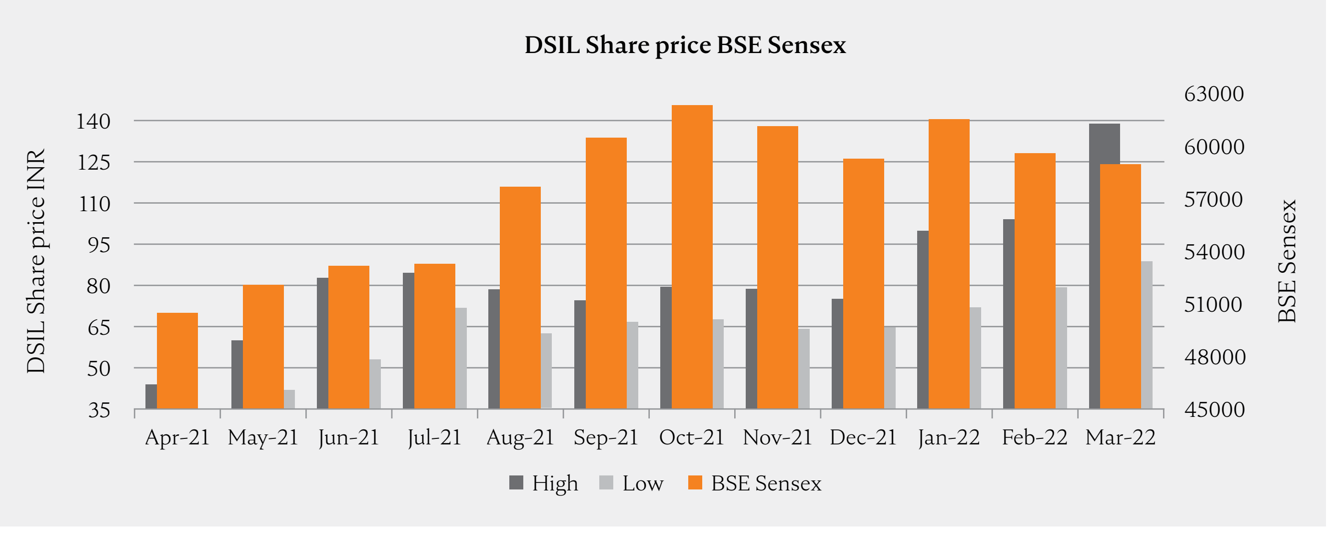
Name	Address	Stock Code
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	532610
The National Stock Exchange of India Limited (NSE)	"EXCHANGE PLAZA", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	"DWARKESH"
International Securities Identification Number (ISIN)		INE366A01041

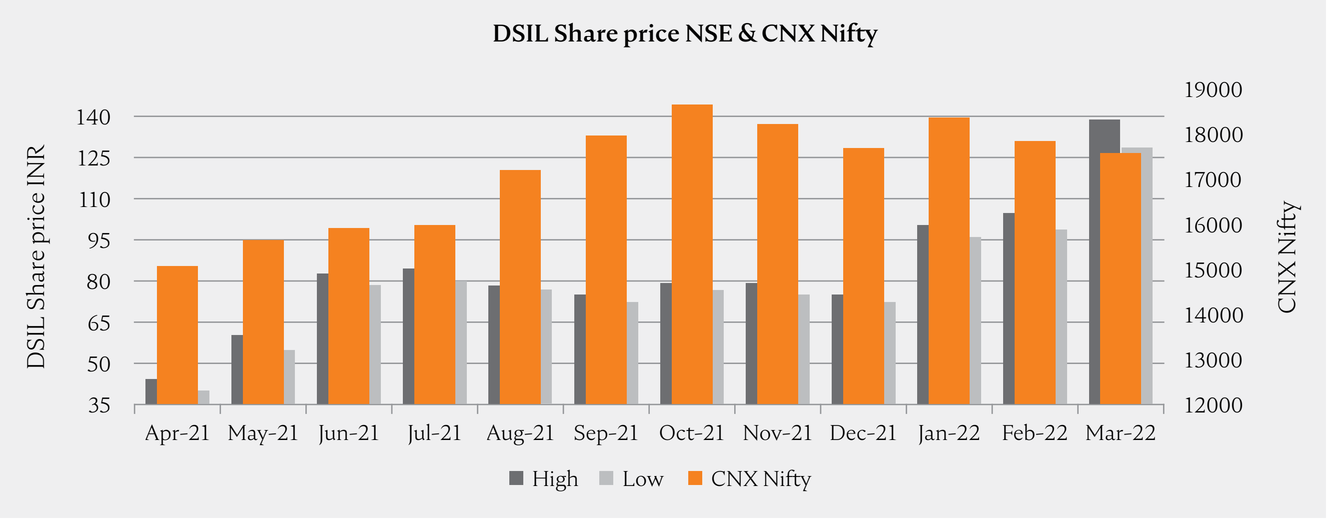
Payment of Listing Fees: Annual listing fee for the year 2022-23 (as applicable) has been paid by the Company to BSE & NSE.

MARKET PRICE DATA: Monthly high/low of market price of the Company's equity shares traded on the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the last financial year was as under:

Month	NSE			BSE		
	High	Low	Total Volume	High	Low	Total Volume
	₹	₹	(Number of Shares)	₹	₹	(Number of Shares)
Apr-21	43.40	38.90	6,50,23,179	43.50	30.20	54,34,875
May-21	59.70	54.55	18,17,86,888	59.70	41.95	1,66,48,080
Jun-21	82.70	77.65	21,88,82,444	82.65	52.30	1,90,33,393
Jul-21	83.90	79.80	8,66,30,553	83.90	71.35	72,98,591
Aug-21	78.20	76.50	4,92,86,042	78.10	62.40	53,32,546
Sep-21	74.00	72.10	2,78,90,505	74.10	66.30	31,88,079
Oct-21	78.80	75.80	5,80,06,886	78.80	67.10	66,16,458
Nov-21	78.70	74.25	2,17,82,170	78.50	63.55	28,34,058
Dec-21	74.50	71.65	2,05,14,515	74.50	64.80	26,55,028
Jan-22	99.50	95.10	15,61,92,416	99.50	71.80	1,30,30,185
Feb-22	104.00	98.00	8,51,11,542	104.00	79.00	95,08,689
Mar-22	138.40	127.55	14,54,19,016	138.40	88.35	1,15,91,923

STOCK PERFORMANCE:





REGISTRAR & SHARE TRANSFER AGENTS (RTA):

The Company has appointed **M/s. Universal Capital Securities Pvt. Ltd**. as Registrar and Share Transfer Agent, who have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster service to the investors.

Universal Capital Securities Pvt. Ltd.
C 101, 247 Park, LBS Road, Vikhroli West, Mumbai - 400083.
Tel: 28207203 / 7204 / 7205
Fax: 28207207
E-mail: i nfo@unisec.in

SHARE TRANSFER SYSTEM:

Trading in equity shares of the Company is permitted only in dematerialised form.

All valid share transfer requests / demat requests are processed and put into effect within a maximum period of 15 days from the date of receipt.

M/s. Universal Capital Securities Pvt. Ltd. is acting as RTA of the Company for servicing all matters relating to physical and demat shares such as transfer, transmission, dematerialisation, rematerialisation, dividend etc. Accordingly, members may please address all correspondence and requests relating to the Shares of the Company to M/s. Universal Capital Securities Pvt. Ltd. at the above-mentioned address.

Securities and Exchange Board of India (SEBI) vide its notification dated 08th June, 2018 has notified all listed Companies and Registrar & Transfer Agents that transfer of securities shall be carried out only in dematerialised form.

Accordingly, attention of all shareholders holding shares in physical form if brought to the following:

- Company & RTA shall not effect transfer of securities held in physical form from April 01, 2019.
- This restriction shall not be applicable for transmission or transposition of securities held in physical form.

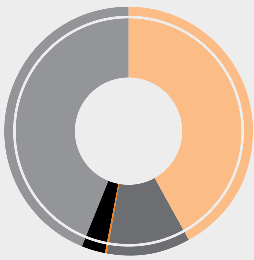
Change of Address

The shareholders holding shares in Physical form should contact the share transfer agent of the Company for change of address. The shareholders holding shares in Dematerialised form should contact their depository participants for change of address.

Shareholding pattern of the Company as on 31st March, 2022.

Particulars	Percentage
Promoters & Persons Acting in concert	42.09
Mutual Funds, FIs, Insurance Companies	10.94
Central/State Government(s)	0.13
Others (Body Corporates)	2.98
Indian Public & Others	43.86
Total	**100.00**

Shareholding pattern



Distribution of Shareholding as on 31st March, 2022:

Sr. No.	Equity Shareholding Range	No. of Shareholders	% of total holders	Number of shares held	% of total shares
1	1 – 500	1,28,002	88.66	1,10,47,836	5.87
2	501 – 1,000	7,773	5.38	64,76,512	3.44
3	1,001 – 2,000	3,885	2.69	60,59,920	3.22
4	2,001 – 3,000	1,435	0.99	37,09,370	1.97
5	3,001 – 4,000	678	0.47	24,56,295	1.30
6	4,001 – 5,000	605	0.42	28,84,453	1.53
7	5,001-10,000	1,083	0.75	81,34,273	4.32
8	10,001 & above	919	0.64	14,75,32,811	78.35
	Total	**1,44,380**	**100.00**	**18,83,01,470**	**100.00**

Note: Please note that No. of Shareholders provided in Distribution of Shareholding is without Clubbing PAN no. of Shareholders and in Shareholding Pattern filed with stock exchanges is with clubbing of PAN no. of Shareholders.

Dematerialisation of Shares

The Company has signed an agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As intimated by SEBI, trading in the shares of the Company is compulsorily to be in the dematerialised form for all the investors. As on 31st March, 2022, 99.87% of the total shares of the Company have been dematerialised.

Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

Not Applicable.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company does not have any exposure hedged through commodity derivatives.

During the year under review, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No.52 to the Annual Financial Statements.

Location of Plants:

Sugar Mills:

Dwarikesh Nagar – 246 762, Village: Bundki & Rajupura, Dist: Bijnor, Uttar Pradesh.

Dwarikesh Puram – 246 722, Village: Bahadarpur, Dist: Bijnor, Uttar Pradesh.

Dwarikesh Dham – 243 503, Village: Bhagwanpur Fulwa, Bakarganj, Dist: Bareilly, Uttar Pradesh.

Distillery:

Dwarikesh Nagar – 246 762, Village: Bundki & Rajupura, Dist: Bijnor, Uttar Pradesh.

The Company is having another project of distillery at Dwarikesh Dham unit which is under commissioning and the same will be commissioned by June/July 2022.

Cogeneration:

Dwarikesh Nagar – 246 762, Village: Bundki & Rajupura, Dist: Bijnor, Uttar Pradesh.

Dwarikesh Puram – 246 722, Village: Bahadarpur, Dist: Bijnor, Uttar Pradesh.

Dwarikesh Dham – 243 503, Village: Bhagwanpur Fulwa, Bakarganj, Dist: Bareilly, Uttar Pradesh.

Address for Correspondence

Compliance Officer & Nodal Officer

The Board has designated Shri B. J. Maheshwari, Managing Director and CS as the Chief Compliance Officer (CCO) & Nodal Officer of the Company.

Corporate Secretarial Department

The Corporate Secretarial Department is located at the Company's Corporate Office situated at :

511, Maker Chambers - V, 221, Nariman Point, Mumbai - 400 021. Tel: 022 22832468; Fax: 022 22047288; email: investors@dwarikesh.com

The Shareholders may address their communications/ grievances/ queries to Shri B. J. Maheshwari, Managing Director and CS cum CCO at the above mentioned address.

List of all Credit Ratings:

During the year under review, the Company had been assigned Credit Ratings from ICRA Limited for its Long Term Outstanding Borrowings & Commercial Paper as follows:

Long Term Outstanding Borrowing-**[ICRA]A+(Positive) with outlook being positive**

Commercial Paper-**[ICRA]A1+ indicating very strong degree of safety**

8. OTHER DISCLOSURES

A. TRANSACTIONS DURING THE PERIOD:

- All related party transactions have been entered into in the Ordinary course of business and were placed periodically before the Audit Committee and the Board. All transactions with the related parties or others are on an arm's length basis. The Company does not have any material related party transactions except the ones disclosed in Note no. 50 in Notes to Accounts, which may have potential conflict with the interest of the Company at large. The policy on dealing with related party transaction can be viewed at

  https://www.dwarikesh.com/pdf/2018/Related-Party-Transactions-Policy-1.pdf
- The Compliance Reports of all laws applicable to the Company are periodically reviewed by the Board.

B. VIGIL MECHANISM

The Company has established a whistle blower mechanism to provide an avenue to raise concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The mechanism provides for adequate safeguards against victimization of directors / employees / customers who avail of the mechanism. The Company has adopted policy on Vigil Mechanism in the Board meeting held on May 9, 2014. No complaints were received under this policy during the year. The policy is available on the Company's website at https://www.dwarikesh.com/pdf/2018/Whistle-Blower-Policy.pdf

C. DISCLOSURE OF ACCOUNTING TREATMENT:

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

D. SUBSIDIARY COMPANIES:

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

E. CODES AND POLICIES WEBLINK:

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given on the website of the Company on weblink: https://www.dwarikesh.com/policies.html

F. INSIDER TRADING

The Company has adopted new Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information with effect from April 01, 2019, so as to bring it in line with amended SEBI (Prohibition of Insider Trading) Regulations, 2018 wherein some new requirements are brought in and the companies are required to revise its existing code of conduct on prohibition of Insiders Trading by a new set of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI).The Company Secretary is responsible for the implementation of the code. All Board of Directors, designated employees and connected persons have been informed about the new policy and has affirmed compliance with the code. https://www.dwarikesh.com/pdf/2018/Whistle-Blower-Policy.pdf

G. UTILIZATION OF FUNDS RAISED THROUGH PREFRENTIAL ALLOTMENT

During the year under review, the Company has not raised funds through preferential allotment. Hence, Not Applicable.

H. CERTIFICATE FROM PRACTISING COMPANY SECRETARY FOR NON-DISQUALIFICATION OF DIRECTORS:

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

I. WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR:

Not Applicable

J. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:

Details relating to fees paid to the Statutory Auditors are given in Note 45 (a) to the Audited Financial Statements of the Company.

K. DISCLOSURE IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirement of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), your Company has a robust mechanism in place to redress complaints reported under it. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under POSH. The Internal Committee (IC) is composed of internal members and an external member who has extensive experience in the field. All employees (permanent, contract, temporary, trainees) are covered under this policy. The policy is gender neutral. Status of complaints during the year under review is as follows:

No. of complaints filed during the financial year: **NIL**

No. of complaints disposed of during the financial year: **NIL**

No. of complaints pending as on end of the financial year: **NIL**

L. Corporate Benefits:

Financial Year	Equity Dividend Rate	Dividend Declaration Date
1996-1997	10%	16/03/1998
1997-1998	15%	30/03/1999
1998-1999	15%	28/03/2000
1999-2000	15%	19/06/2001
2000-2001	15%	27/03/2002
2001-2002	5%	31/05/2003
2002-2003	5%	29/03/2004
2003-2004	20%	01/11/2004
2004-2005 (Interim Dividend)	60%	16/01/2006
2005-2006	60%	23/03/2007
2006-2007	NIL	---
2007-2008	NIL	---
2008-2009	15%	16/03/2010
2009-2010	NIL	---
2010-2011	NIL	---
2011-2012	NIL	---
2012-2013	NIL	---
2013-2015	NIL	---
2015-2016	NIL	---
2016-2017	100%	19/08/2017
2017-2018	NIL	---
2018-2019	100%	05/09/2019
2019-2020 (Interim Dividend)	100%	10/02/2020
2020-2021	125%	20/07/2021
2021-22 (Interim Dividend)	200%	29/03/2022

STATUS OF UNPAID DIVIDEND & SUSPENSE ACCOUNT:

Dividend for the year	Amount of Dividend (₹)	Amount of unpaid dividend as on 31.03.2022 (₹)	Due Date of transfer to IEPF
2016-17	18,83,01,470.00	7,58,230.00	22/09/2024
2018-19	18,83,01,470.00	7,01,761.00	11/10/2026
2019-20	18,83,01,470.00	7,33,037.00	10/03/2027
2020-21	23,53,76,837.50	8,71,809.22	18/08/2028
2021-22	37,66,02,940.00	**	04/05/2029

** The interim dividend was declared by the Company as on March 29, 2022 for the FY 2021-22 and the record date for distribution of dividend was 8 April, 2022, hence the same was not reported.

The Company sends reminders to the shareholders for the unpaid dividend. In terms of Section 125 of the Act, read with rules made thereunder, the Company is required to transfer the unpaid dividend amounts which remained unclaimed for 7 years from the date of transfer of such amounts to Unpaid Dividend A/C to Investor Education and Protection Fund.

Pursuant to Section 124, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/ shares to IEPF Authority.

EQUITY SHARES IN SUSPENSE ACCOUNT

No shares of the Company are lying in Equity Suspense Account.

LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT

The Company has not advanced any loans and advances in the nature of loans to firms/companies in which Directors are interested.

M. COMPLIANCE

Mandatory Requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The Corporate Governance Report of the Company for the year ended 31st March, 2022 are in compliance with the applicable requirements of SEBI as per Listing Regulations.

Non-Mandatory Requirements:

The status of compliance with discretionary recommendations of the Regulation 27 of the SEBI (LODR), Regulations is provided below:

Chairman's Office: Shri G. R. Morarka had been appointed as Whole Time Director designated as Executive Chairman with effect from 01.01.2019 for three years. He is proposed to be re-appointed as Whole Time Director designated as Executive Chairman for a period of 5 years with effect from January 01, 2022, subject to shareholders approval in this AGM.

Separate posts of Chairman and CEO: Shri G. R. Morarka is holding the position of Whole Time Director designated as Executive Chairman. Shri B. J. Maheshwari and Shri Vijay S. Banka are the Managing Directors of the Company. So there exists separate posts for Chairman & CEO of the Company.

Shareholders rights: The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

Modified Opinion in Auditors Report: The Company's financial statement for the year ended March 31, 2022 are unqualified.

Reporting of Internal Auditor: In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

On **behalf of the Board of Director**

B. J. Maheshwari
Managing Director & CS cum CCO
(DIN: 00002075)

Mumbai
May 2, 2022

Code of Business Conduct and Ethics

The Board at its meeting held on 24th January, 2005 adopted the Code of Business Conduct and Ethics for Directors and Senior Management ('the Code'). This code is a comprehensive code applicable to all Directors, Executive & Non-Executive and members of senior management. However, in the light of changing scenario of corporate functioning, the same has been modified & adopted by the Board at its meeting held on May 14, 2013.

A copy of the Code has been put on the Company's website: www.dwarikesh.com

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by Shri B.J. Maheshwari, Managing Director & CS cum CCO is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the Accounting period 2021-22.

On **behalf of the Board of Director**

B. J. Maheshwari
Managing Director & CS cum CCO
(DIN: 00002075)

Place: Mumbai
Date: May 2, 2022

Certificate of Non-Disqualification of Directors

(Pursuant with Para 3(x) (c) (iii) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.)

We have examined and verified the records of the Board of Directors available and maintained on the online portal of Ministry of Corporate Affairs of **DWARIKESH SUGAR INDUSTRIES LIMITED** (hereinafter will known as "the Company") having its Registered Office at Dwarikesh Nagar, Bijnore, Uttar Pradesh-246762 incorporated vide its Company Registration Number L15421UP1993PLC018642 on 1st November,1993 under the jurisdiction of Registrar of Companies, Kanpur.

On the basis of examination and verification, we hereby state that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Securities Exchange Board of India / MCA or any such statutory authority for the Financial Year ending on 31st March, 2022.

The Board of Directors of the Company comprises of 8 (Eight) Directors and the Board is composed as follows:

Sr. No	Name of the Director	DIN	Type of the Director	Date of Appointment	Status of the Director
1	Shri G. R. Morarka	00002078	Executive Director	01/01/2019	Active
2	Shri B. J. Maheshwari	00002075	Managing Director (Executive Director)	07/05/2018	Active
3	Shir Vijay S. Banka	00963355	Managing Director (Executive Director)	07/05/2018	Active
4	Shri K. N. Prithviraj	00115317	Independent Director	19/09/2015	Active
5	Shri Balkumar Agarwal	00001085	Independent Director	19/09/2015	Active
6	Ms. Nina Chatrath	07700943	Independent Director	04/02/2017	Active
7	Shri Gopal B. Hosur	08884883	Independent Director	02/11/2020	Active
8	Shri Rajan K. Medhekar	07940253	Independent Director	02/11/2020	Active

This Certificate is being issued at the request of the Company for the rightful compliance with Para 3(x) (c) (iii) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018

For **VKM & ASSOCIATES**
Practising Company Secretaries

(Vijay Kumar Mishra)
Partner
CP No.4279
UDIN : F005023D000192298

Place : Mumbai
Date : April 23, 2022

CEO and CFO Certification

To,
The Board of Directors,
Dwarikesh Sugar Industries Limited.

We hereby certify that:

a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:

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

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal and violating the Company's code of conduct.

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

d) We have indicated to the auditors and the audit committee

   i. Significant changes in internal control over financial reporting during the year.

   ii. Significant changes in accounting policies, if any during the year and that the same have been disclosed in the notes to the financial statements, and

   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	Vijay S. Banka	**Sunil Kumar Goel**
Place : Mumbai	Managing Director	Chief Financial Officer
Date : May 2, 2022	(DIN:00963355)	

Auditors' Certificate on Corporate Governance

To
The Members of
Dwarikesh Sugar Industries Limited.
Dwarikesh Nagar, Bijnor
Uttar Pradesh- 246 762.

1. This certificate is issued in accordance with the terms of our engagement letter with **Dwarikesh Sugar Industries Limited (the "Company").**

2. We, NSBP & Co., Chartered Accountants, the Statutory Auditors of the Company, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which 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. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended March 31, 2022.

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 to enable the Company to comply with the requirement of the Listing Regulations, and it 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 **NSBP & CO.**
Chartered Accountants
Firm Registration No.001075N

Deepak K. Aggarwal
Partner
Membership No.095541
UDIN: 22095541AIGPQV7129

Place :Mumbai
Date :May 2, 2022

ANNEXURE - V

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

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

1. Conservation of Energy

Energy conservation is an on-going activity in the Company and the efforts to conserve energy through improved operational methods and other means are continuing. Details of total energy consumption and energy consumption per unit of production are furnished in the prescribed Form 'A' below.

FORM 'A'

Form for Disclosure of Particulars with Respect to Conservation of Energy

A. POWER AND FUEL CONSUMPTION

	Current Year 2021-22	Previous Year 2020-21
1. Electricity		
a) Purchased		
Unit – KWH	NIL	NIL
Total amount (₹)	NIL	NIL
Rate / Unit (₹)	NIL	NIL
b) Own Generation		
i) Through Diesel Generator		
Unit –KWH	64,173	53,480
Unit per Ltrs of Diesel	3.03	3.08
Oil cost/Unit(₹)	30.02	25.31
ii) Through Steam Turbine/Generator		
Unit –KWH	27,42,14,460	28,12,41,768
Unit per Ltrs of fuel		
Oil/Gas		
Cost/Unit (₹)		
2. Coal (Specify quantity and where used)		
Quantity (Tonnes)	NIL	NIL
Total Cost	N.A.	N.A.
Average Rate	N.A.	N.A.
3. Furnace Oil		
Quantity (Kilogram Ltrs.)	NIL	NIL
Total amount	N.A.	N.A.
Average Rate	N.A.	N.A.
4. Other / internal Generation		

	Bagasse (Qtls.)		Firewood (Qtls.)		Diesel (Ltrs.)	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Quantity	10,136,623.79	1,09,71,121.07	–	–	21,089	17,353
Total Cost (C)	Own generation	Own generation	–	–	19,26,294	13,53,808
Rate/Unit (C)			–	–	30.02	25.31

B. CONSUMPTION PER UNIT OF PRODUCTION

PRODUCT – SUGAR (Unit Qtls.)

Total Sugar Produced = 39,59,723 Qtls

	Standards (if any)	Current Year 2021-22	Previous Year 2020-21
Electricity (KWH)	N.A.	–	–
Furnace Oil	N.A.	–	–
Coal (Specify Qua)	N.A.	–	–
Others (Specify)	N.A.	–	–
Firewood (MT)	N.A.	–	–
G.N. Husk (MT)	N.A.	–	–
Bagasse (MT)		0.152 MT/Qtls of Sugar	0.144MT/Qtls of Sugar

2. **Steps taken by the Company for utilizing alternate sources of energy:** The Company is producing renewable energy from Bagasse, which is eco-friendly & meets it's captive requirement of power from such energy & sells surplus power to state Grid.

3. **Capital Investment on energy conservation equipment:** NIL

TECHNOLOGY ABSORPTION

FORM 'B'

Form for Disclosure of Particulars in Respect of Technology Absorption

I Research and Development:

A. FOCUS AREA

Special focus on protection of wonder cane variety Co 0238 from Red Rot disease by providing disease free cane seed, quality fungicide on subsidized rates for soil and seed treatment to the farmers and to increase the per unit production and productivity of cane, interaction with the cane growers of our reserved area, sugarcane scientists/ research stations and Cane Development Council / Cane Co-operative Societies of the reserved zone to educate the cane cultivators and field staff members to disseminate the new and improved cane cultivation technology, innovation in sugarcane research and modern farming package of practices. Educating farmers for adoption of crop rotation, ratoon management technology, inter cropping, establishment of cane seed nurseries for multiplication of seed as well as for commercial cultivation, use of Bio-agents, adoption of cultural practices and plant protection measures from insect, pest and diseases. Time to time we also disseminate the new technology and different information on website of the Company as well as through SIS, SMS and Dwarikesh Kisaan e-Mitra app on mobiles of the cane suppliers.

1. SOIL HEALTH:-

To know about the soil health we use to collect the representative soil samples of the whole village (10 to 15 soil samples) from each & every village (representative sample of the whole village) from farmer's field, got analyzed the samples of almost all villages of our reserved zone, prepared the soil fertility map with the technical guidance of nearest research station for finding the NPK availability as well as pH and organic matter in the soil and requirement for cane cultivation along with data of pH, organic carbon etc. Growers are advised to use inputs as per requirements of soil, so that optimum fertilizer dose can be given to increase the quality & yield of cane crop and other major crops. As per reports of soil analysis of different villages and centers, recommendation is given to the cane growers, so that concept and use of balance fertilizer could be maintained, availability of organic manures in the soil is scarce, to fulfill the requirement of organic matter in the soil, we provide Bio-fertilizer/ Bio-compost to the farmers free of cost for sugar cane cultivation and encouraging the farmers to keep the ratoon through trash mulching. In our reserved zone approx. 97% ratoon is kept through trash mulching resulting increase in organic matter in the soil. For mulching of dry traces we Our Company provides the facility of Trash Mulchers to the farmers free of charges. It will facilitate for drenching of Coragen and other intercultural operation in ratoon crop.

In our reserved zone where there are heavy soils we are providing fly ash (boiler ash) free of cost to the farmers which is rich in organic carbon and Potash, is added in agricultural land, resulting the soil structure and water holding capacity of soil has increased.

2. PLANT PROTECTION:-

Under plant protection measures, timely arrangement of quality agrochemicals for soil treatment, seed treatment and control of other insect, pests & diseases affecting the sugarcane crop in our area. Agrochemicals and fertilizers are provided on subsidized rates. In autumn and spring planted cane mild incidence of first brood of Top Borer appeared in general in all cane varieties and we have got drenching of Coragen which has successfully controlled the incidence of Top borer. Technical guidance in respect of identification of insect, pest and diseases & its control measures is being provided to the farmers through our trained agriculture officers free of cost. The quality pesticides & fungicides are provided to the farmers on subsidized rates. To control the incidence of Red Rot disease, as a precautionary measure we have provided Thiophinate Methyale (Hexastop) at the time of plating on 50 % subsidy for cane seed treatment and Trichoderma Virdi on 50 % subsidy for soil treatment.

3. VARIETAL IMPROVEMENT:-

Distribution of nuclear/ certified cane seeds of different improved sugarcane varieties like COS-13235, Co-98014, Colk-14201, Co-0238, 0118, CoJ- 85, CoH-160 and high sugar& high yielding variety Co-15023 etc. for raising the foundation seed nurseries and subsequent multiplication in primary and secondary nurseries. Allotted nuclear cane seed of different cane varieties obtained from research stations / centers distributed among the farmers on subsidized rates. All these varieties have been found suitable and are under further multiplication in the command area.

4. TECHNICAL GUIDANCE:-

Proper supervision of cane seed nurseries/commercial cane crop is provided by our technically trained staff. As and when required, Sugarcane Scientists are invited to provide technical guidance to the farmers for propagation and multiplication of better quality cane seed. Time to time identification of insect, pest & diseases in the field and its control measures through application of agrochemicals provided by our trained staff.

5. MANAGEMENT OF DISEASES:-

Management of common diseases is continue through cane seed treatment of improved varieties with M.H.A.T.units and Seed Treatment Device to control seed born diseases like Grassy shoot disease, Ratoon stunting disease, Red leaf strip and leaf stripe diseases etc. In new cane varieties like Co-0238, 15023, 0118, CoJ-85 and in some other broad leaved varieties the incidence of Pokka Boeng, Top-rot have also observed during past 3-4 years in the rainy season, farmers had advised for foliar spray of Coc, however, its impact has been non-significant on the crop. Fungo super and Saffilizer was provided on subsidized rates for control of Pokka Boeng disease.For future as precautionary measures, we have planned timely spray of Saffilizer and Hexastop, to stop the occurrence of Pokka Boeng and Top rot disease. For management of GSD farmers are being advised for roughing out and destroy of the disease affected clumps followed by spray of Sugron-H. In ratoon crop of Co-0238 Chlorosis disease observed, we have advised the farmers for spray of Ferrous Sulphate and Nano Zinc to control the same and significant result observed.

6. STAFF / FARMER'S TRAINING & VISITS:-

To educate the farmers regarding intercultural operations in sugar cane crop to achieve higher profitability with proper yield and good quality of cane. We conducted farmer's seminars/Goshti and arranged farmer's training & tours at Sugarcane Research Stations and at other progressive farme's fields, also arranged staffs training through in house refresher training programme. Small growers have taken interest for inter-cropping of pulses crops with sugarcane. Concept of mixed cropping is being propagated in entire command area. Farmers are being encouraged through Kisaan Goshthi for planting of cane in the month of Sept. to get maximum yield of sugar cane and inter-crops. Farmers are being advised to reduce the area under cane and to plant the cane in the month of September so that they may get more production per unit area with minimum land, it will help in maintaining the soil health and by adoption of crop rotation occurrence of weeds and insects may be minimized.

7. INFRA-STRUCTURE DEVELOPMENT:-

To facilitate the farmers for smooth transportation of cane and other agriculture produce, we take up construction, repairing and maintenance of link roads in our reserved zone to facilitate easy transportation of sugarcane from the respective fields/ villages of farmers to centers and from centers to Mills, we facilitate the same with the help of

Cane Development Councils' and contribution of 25% share. Construction/ major repairing of link road are undertaken on priority basis and Govt. authorities are followed up for the same on regular basis.

8. DEMONSTRATION & TRIALS:-

Conduct demonstrations / trials of different cane varieties like Co 15023, 0238, 0118 and CoJ 85, COS-13235, Co-98014, CoH-160 and Colk-14201. effectiveness of fertilizers/ manures and effect of different agrochemicals in different soil conditions, topography and means of irrigation to determine the best means for its general adoption. We are providing the services of agriculture implements to the cane growers free of charges to popularize deep ploughing of soil for better tillage operations through M.B. Plough, Disc plough and for proper depth and width of sugarcane planting Paired row Trench planter and spaced row trench planters in our command area for spaced row / deep cane planting. Farmers are being encouraged for laser leveling of the land before planting / sowing of any crops, so that proper use of fertilizers may be ensured. It also saves the time and money about 35% incurred on irrigation.

9. DEVELOPMENT OF IRRIGATION FACILITIES:-

To develop the new cane area in rain fed zone a large number of Deep tube well boring is being undertaken. We are providing financial help to the growers by providing bore-well charges, all material cost is borne by the growers themselves. This scheme continued in our dry belt and rain fed area which is about 25% of the total reserved area. All the deep bore wells are running well. Farmers are being encouraged to adopt the facility of drip irrigation on subsidized rate as it will save the water and macro & micro nutrient may also be given in the root zone of the crop.

10. MECHENIZATION IN CANE LOADING:-

In order to reduce dependability on manual loading labourers and to reduce time between harvesting and crushing of cane, we introduced mechanical cane loaders for loading of cane at out cane purchasing centers. We have hired sufficient nos. of cane loader for smooth cane loading at out cane purchasing centers. The working of cane loader found satisfactory. Sometimes it rains in winter season due to this out cane purchasing center's plots become muddy resulting disturbance in cane loading through cane loader and some quantum of mud/wet soils come with the cane. Which is directly financial lose. Mud/wet soils reduce of efficiency of machinery also. To overcome this problem, we got brick-soling done at our cane purchasing centers' plot which has helped in cane loading even just after rains and also damage to Milling Machinery got minimized.

B. BENEFITS DERIVED

1. IMPROVEMENT IN VARIETAL BALANCE:-

Area under Early and improved varieties has increased. Under early cane varieties it has increased from 97 to 100 %. New improved sugarcane varieties like- Co-0238, 0118, 15023, Co-98014, Coj-85, Colk-14201, COS-13235 and CoH-160 multiplied fast, since it helps increase in cane yield as well as sugar recovery. Unsuitable and rejected cane varieties have been replaced with early and new improved cane varieties.

2. INCREASE IN CANE QUALITY & PRODUCTION:-

Distribution of cane seed of improved varieties, Bio-agents/ Agrochemicals, bio fertilizers & other developmental activities have improved cane production, productivity and sugar recovery also.

3. SAVING OF TIME & MONEY:-

Use of improved agricultural implements, use of power sprayers in protection of cane crops from insect, pests & diseases and cane loading by mechanical cane loader at centers helped in mechanization of cane cultivation as well as cane marketing, which has helped in increasing of cane yield and made sugar cane cultivation easy and economical.

4. FARMERS AWARENESS:-

Exhibition/demonstration, farmers meeting, training and tour programme have been very useful in imparting improved technical know-how of sugar cane cultivation to cane growers as well as staff members. Awareness about improved technology of sugarcane cultivation, adoption of package and practices of sugarcane cultivation has helped increase in cane yield, quality of cane as well as sugar recovery.

5. INCREASE IN IRRIGATION FACILITY:-

Developed irrigation facility through deep tube well boring scheme supported by the factory in rain fed area.

This has helped the growers to increase area under cane as well as improvement in cane production. We have established 140 borewell at farmers' fields under this scheme and all are successful, by which farmers are able to grow cane even in rain fed area. Drip irrigation has helped in water saving, application of macro and micronutrients become easy. With the help of State Govt. Cane Department, we are facilitating the farmers for drip irrigation. 90% subsidy is being provided to the farmers on installation of drip irrigation. This has helped in saving of irrigation water and subsequent increase in production and productivity of cane.

6. SUGARCANE INFORMATION SYSTEM:-

Cane commissioner, Lucknow, Uttar Pradesh has introduced SIS (sugar cane information system) & E-Ganna app which has helped in providing different type of information like – cane area, varieties, Basic quota, no. of supply tickets, cane supply position, cane price payment and all other information related to cane supply / cane area of the farmers. Apart from this, it helps in providing cane development activities information like- improved cane varieties, cane planting methods, incidence of insect/ pest and diseases, information related to agrochemicals for control of pest and diseases etc through SMS, on website the information are updated on daily basis. This has facilitated the cane growers/ suppliers. Cane area survey conducted with GPS Machine & its display on website and availability of all information related with cane on website or through SMS, IVRS & Query SMS, also create awareness among the cane growers. We have launched our company mobile app by which farmers may have the inquiries related with their Satta i.e. Culturable land, cane area, varieties, Basic Quota and cane price payment etc. Progressive farmers of our reserved cane area are included in WhatsApp group of Kisaan Mittra Club and important information related with incidence of insect, pests, diseases and their control measures are shared on this group.

Our company has launched Dwarikesh Kisaan e-Mitra App, wherein all the information related with sugarcane cultivation, incidence of insect, pest, diseases and their control measures are provided to the farmers. Farmers may get the information about no. of standing vehicles in cane yard also. Farmers may upload the snaps of disease and pest affected crop on this app and technical staff provide the control/management measures of insect, pest and disease through this app. Dwarikesh Kisaan e-Mitra app has helped the farmers and this has made the sugarcane cultivation easy i.e. the farmers may get solution to their problems related to sugarcane crop instantly through Dwarikesh Kisaan e-Mitra app.

C. ACTION PLAN:

1. For proper varietal balance, replacement of old & unsuitable cane varieties with new & improved cane varieties to be continued and we will try to minimize the area not more than 40% under a single cane variety. Protection of the wonder cane variety Co-0238 from Red Rot disease, the distribution of disease-free cane seed and fungicide for soil and seed treatment to be continued.

2. Protection of cane variety Co-0238 from Red Rot disease by providing the disease-free cane seed and fungicide for soil and cane seed treatment on subsidized rate to be continue.

3. To maintain new improved cane seed nurseries like –Co-15023, Colk-14201, CO-0118 & COS-13235 etc under supervision of our trained cane staff so as to achieve the results of low fibre, high sugar, high juice and high yield from these cane varieties. New cane variety Co-0238 has multiplied fast speed and covered about 99% cane area.

   To decrease the area under Co-0238 the multiplication of Co-15023, 0118 & Colk-14201 will be continued.

4. Conduct more and more Farmers meeting & Seminars with a view to educate the farmers on new Technology, and advance packages and practices in sugarcane cultivation, ratoon management etc, which have proven to be very useful through creating positive impact on the cane growers to maintain better relation, and to get higher cane yield and sugar recovery.

5. Focus on construction of link roads for easy and smooth transportation of sugarcane at Mill gate as well as at out centers, to facilitate sugarcane suppliers as well as cane transporters with a view to reduce cane transportation cost.

6. Support for deep bore well facility and drip irrigation facility in rain fed area to be continue.

7. Mechanization in sugar cane cultivation & cane loading at out centers.

8. Introduction of mini tractor for inter-cultural operation in sugarcane.

9. Introduction of cane harvesters.

10. Emphasis on adoption of crop rotation by the farmers.

II Technology Absorption, Adoption and Innovation

EFFORTS MADE

1. Raising of seed nurseries of new and promising cane varieties, seed multiplication programme, establishment of demonstration plots and distribution of quality agrochemicals has helped in improvement in proper varietal combination, significant improvement in cane yield as well as sugar recovery.

2. In view of labour scarcity in future, the Company is making efforts to introduce more mechanization in cane cultivation i.e. automatic cane planter, cane harvesters, small tractors for inter cultural operations, new trench planters etc.

3. In order to improve monitoring of cane yard, CCTV camera has been installed at gate W/Bs and GPS system has been installed at company vehicle used for field activities.

4. We are conducting demonstration and trials of different fertilizer and agrochemicals at our campus so that we may know best product which may be recommended for sugarcane cultivation to the farmers.

5. In order to disseminate information, sugarcane information system (Cane Website, IVRS, SMS, QSMS, mobile app) is being updated regularly. We have launched our new Dwarikesh Kisaan e-Mitra app to provide quick solution of the problems faced by the farmers regarding sugarcane cultivation.

6. New and improved agricultural implements like- Trench Ridger, M.B. plough, Disk plough, Sugarcane cultivator, Sugarcane planter etc. have come in the market. These are cost effective and given better performance. Such implements have been purchased and their services are being provided to the cane planters free of charges.

7. The Company has carried out the survey of the cane area through satellite mapping. This will facilitate the better estimation of cane area, cane production and condition of the cane crop which may further help in arriving at the tentative estimation of sugar production in the ensuing season.

8. Online weighment of cane at out cane purchasing centers through HHC, Challan generation to the trucks from out centers through HHC has helped in smooth and transparent working.

9. Brick-soling at out cane purchasing centers has helped in loading of cane during rains in the running crushing season and quantity of mud/wet soil also got minimized.

10. To increase the longevity of cane variety Co-0238, a special programme of cane seed treatment and soil treatment is in progress and it will be carried out on war footing basis in future also.

III The Company has not imported any technology.

IV EXPENDITURE INCURRED ON R&D

Sr No.	Particulars	Amount (₹ lacs)
1	Capital	Nil
2	Recurring	113.31
3	Total	113.31
4	Total R&D expenditure as percentage of total turnover	0.06%

FOREIGN EXCHANGE EARNINGS & OUTGO

Sr No.	Particulars	Amount (₹ lacs)
a)	CIF VALUE OF IMPORTS	Nil
b)	EXPENDITURE IN FOREIGN CURRENCY (on accrual basis)	
	Foreign Travelling Expenses	-
	Interest on Foreign Currency Term Loans	-
	Bank Charges on foreign remittances	-
	Computer software purchase	0.93
	Legal fees	-
c)	EXPENDITURE IN FOREIGN CURRENCY	
	FOB value of export sales	-
	Other income	-

On **behalf of the Board of Director**

B. J. Maheshwari
Managing Director & CS cum CCO
(DIN: 00002075)

Vijay S. Banka
Managing Director
(DIN: 00963355)

Place: Mumbai
Date: May 2, 2022

ANNEXURE VI
FORM MR-3
Secretarial Audit Report

For the Financial Year ended on 31st March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
DWARIKESH SUGAR INDUSTRIES LIMITED
Dwarikesh Nagar, Bijnore,
Uttar Pradesh-246762.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"DWARIKESH SUGAR INDUSTRIES LIMITED"** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India , 1992 (SEBI Act);
   (a) The Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 –Not applicable as the Company has not issued any shares during the year under review;
   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not applicable as the Company has not issued any shares/options to directors/employees under the said guidelines / regulations during the year under review;
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 –During the year, the Company had issued Commercial Papers (CP) aggregating ₹250 cr and the same listed on BSE Limited;
   (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
   (g) The Securities and Exchange Board of India

(Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review;

6. Other Laws applicable to the Company ;

   i. The Factories Act, 1948.

   ii. The Payment of Wages Act, 1936.

   iii. The Minimum Wages Act, 1948.

   iv. The Employee Provident Fund and Miscellaneous Provisions Act, 1952.

   v. The Payment of Gratuity Act, 1972.

   vi. The Bombay Shops and Establishments Act, 1948.

   vii. The Maharashtra Labour Welfare Fund Act, 1953.

   viii. The Environment (Protection) Act, 1986.

   The Industrial Dispute Act, 1947

We have also examined compliance with the applicable clause of the following;

I. The Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Form no. IEPF 2 was revised filed with additional fees of ₹1200/- due to technical issue on MCA website.

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system existsfor seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the Board Meetings and Committee Meetings were taken unanimously and are captured and recorded as part of the minutes of the meetings.

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

For **VKM & ASSOCIATES**
Practising Company Secretaries

(Vijay Kumar Mishra)
Partner
CP No.4279
UDIN : F005023D000251665
PR: 1846/2022

Place :Mumbai
Date :May 02, 2022

Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE A” and forms an integral part if this report.

"ANNEXURE A"

To,
The Members,
DWARIKESH SUGAR INDUSTRIES LIMITED
Dwarikesh Nagar, Bijnore,
Uttar Pradesh-246762.

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

Management's Responsibility

1. It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **VKM & ASSOCIATES**
Practising Company Secretaries

(Vijay Kumar Mishra)
Partner
CP No.4279
UDIN : F005023D000251665
PR: 1846/2022

Place :Mumbai
Date :May 02, 2022

ANNEXURE VII
Business Responsibility Report

This section is as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Section A : General Information about the Company

1.	**Corporate Identity Number (CIN) of the Company**	:	L15421UP1993PLC018642
2.	**Name of the Company**	:	Dwarikesh Sugar Industries Limited
3.	**Registered Office**	:	Dwarikesh Nagar, Bijnore, Uttar Pradesh 246762
4.	**Website**	:	www.dwarikesh.com
5.	**E-mail ID**	:	investors@dwarikesh.com
6	**Financial Year reported**	:	April 1, 2021 to March 31, 2022
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	:	Sugar Manufacturing
8.	**List three key products/services that the Company manufactures/provides (as in balance sheet)**	:	Manufacturing of Sugar, Industrial Alcohol & Generation of Power
9.	**Total number of locations where business activity is undertaken by the Company**		
	Number of International Locations	:	Not applicable
	Number of National Locations	:	3(Three) i.e. Uttar Pradesh, Delhi & Mumbai
10.	**Markets served by the Company – Local/State/ National/International**	:	We serve all 4 areas.

Section B : Financial Details of the Company

1.	**Paid up Capital (INR)**	:	1,883.01 Lakhs
2.	**Total Turnover (INR)**	:	1,97,722.59 lakhs
3.	**Total profit after taxes (INR)**	:	15,521.55 lakhs
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**	:	2 % of average net profit for previous three years in respect of Standalone Dwarikesh Sugar Industries Limited
5.	**List of activities in which expenditure in 4 above has been incurred**	:	Education and Skill Building, Health and wellness & Contribution to Trust

Section C : Other Details

1.	**Does the Company have any Subsidiary Company/ Companies?**	:	No
2.	**Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) –**	:	Not Applicable
3.	**Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**	:	No

Section D : BR Information

1. Details of Director/Directors responsible for BR

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

The Corporate Social Responsibility (CSR) Committee of the Board of Directors is responsible for implementation of BR policies. The members of the CSR Committee are as follows:

DIN	Name	Designation
00001085	Shri B. K. Agarwal	Non-Executive Independent Director
00963355	Shri Vijay S. Banka	Managing Director
00002075	Shri B. J. Maheshwari	Managing Director & CS Cum CCO
00002078	Shri G. R. Morarka	Executive Chairman
00115317	Shri K. N. Prithviraj	Non-Executive Independent Director
07700943	Ms. Nina Chatrath	Non-Executive Independent Director
08884883	Shri Gopal B. Hosur	Non-Executive Independent Director
07940253	Shri Rajan K. Medhekar	Non-Executive Independent Director

(b) Details of the BR head

Name : Shri B. J. Maheshwari
DIN : 00002075
Designation : Managing Director & CS cum CCO
Tel No. : 022 22042945
Email ID : bjmaheshwari@dwarikesh.com

2. Principle wise (as per NVGs) BR Policy/policies

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

P1 - Business should conduct and govern themselves with Ethics, Transparency and Accountability

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

P3 - Businesses should promote the wellbeing of all employees

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

P5 - Businesses should respect and promote human rights

P6 - Business should respect, protect, and make efforts to restore the environment

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

P8 - Businesses should support inclusive growth and equitable development

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

S. No	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y

S. No	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y*	Y*	Y*	Y**	Y***	Y*	Y*	Y*	Y*
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

*** DSIL Code of Conduct:**
https://www.dwarikesh.com/pdf/2018/Code_of_Conduct_for_Senior_Management_and_Director.pdf?abc=1

**** CSR Policy:**
https://www.dwarikesh.com/pdf/2021/Policy-on-Corporate-Social-Responsibility.pdf

*****Corporate Environment Policy:**
https://www.dwarikesh.com/pdf/2021/Corporate-Environment-Policy-Copy-signed.pdf

2a. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options): NA

S. No	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3 Governance related to BR

a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year?**

Five Board Meetings were held during the year.

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes, the Company publishes its BR Report annually. In FY 2021-22, the BR Report is part of this Annual Report.

Section E : Principle wise performance

PRINCIPLE 1

1. **Does the policy relating to ethics, bribery and corruption cover only the Company?**

No

2. **Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?**

   Yes

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

   In FY 2021-22, one concern from stakeholder was received and was resolved satisfactorily.

PRINCIPLE 2

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

   i. Sugar - Our sugar grades are L-31, M-31, S-31, L-30, M-30 and S-30, of which maximum production is of 31 colour sugar. (31 is the best colour standard fixed by the Government of India). Sugar grading is done for colour and grain size and the sugar produced at our units is regularly matched with N.S.I. standards. We maintain the percentage retention of our sugar at 85%+ as against minimum requirement of 70%.

   ii Ethanol and Industrial Alcohol -Molasses is a bye product generated in manufacture of sugar .Molasses becomes raw material for manufacture of Industrial alcohol & ethanol. Ethanol is procured by Oil Manufacturing Companies (OMC) for blending with petrol .It's Central Government's policy to permit blending of ethanol with Petrol up to 10% .Ethanol is eco-friendly fuel & use of ethanol saves precious foreign exchange of the nation by reducing import of crude oil.

   iii Power -Company generates power from the sugar cane residue viz. Bagasse. The power is used for captive consumption as well as surplus power is sold to Uttar Pradesh Power Corporation (UPPCL), Company has entered into agreement with UPPCL for export of 56MW.

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

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

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

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

i. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   We are procuring sugar cane from farmers around 50 to 70 % of sugarcane is delivered at mill gate & brought by farmers by their own transportation viz. tractor trolleys. The Company arranges for pickup of the balance sugar cane at centres close the farmers villages to facilitate them to offload their sugarcane & the Company arranges for transportation of sugar cane from these centres to mills by its own transportation.

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

   The Company procures sugarcane from thousands of farmers from the neighboring area of the sugar mills. We are interacting with them through SMS & other communications for updating them with various information for updating their knowledge. We make model fields & educate the farmers to learn the best farming practices. We provide seeds to farmers for planting sugar cane. We provide pesticides to farmers at competitive rates to fight against diseases.

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

   Yes. For more details refer Operations and Performances which forms part of this Annual Report and also on the weblink: https://www.dwarikesh.com/captive.html

PRINCIPLE 3

<table>
<tr><td>1</td><td>Please indicate the Total number of employees.</td><td>1,770</td></tr>
<tr><td>2</td><td>Please indicate the Total number of employees hired on temporary/contractual/casual basis.</td><td>999</td></tr>
<tr><td>3</td><td>Please indicate the Number of permanent women employees.</td><td>18</td></tr>
<tr><td>4</td><td>Please indicate the Number of permanent employees with disabilities</td><td>Nil</td></tr>
<tr><td>5</td><td>Do you have an employee association that is recognized by management?</td><td>Yes</td></tr>
<tr><td>6</td><td>What percentage of your permanent employees is members of this recognized employee association?</td><td>50%</td></tr>
<tr><td>7</td><td>Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.</td><td>The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules thereunder.
<table>
<tr><th>Sr. No.</th><th>Category</th><th>No. of Complaints filed during the financial year</th><th>No of complaints pending as on end of the financial year</th></tr>
<tr><td>1</td><td>Child labour/forced labour/involuntary labour</td><td>NIL</td><td>NIL</td></tr>
<tr><td>2</td><td>Sexual harassment</td><td>NIL</td><td>NIL</td></tr>
<tr><td>3</td><td>Discriminatory employment</td><td>NIL</td><td>NIL</td></tr>
</table></td></tr>
<tr><td>8</td><td>What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?</td><td>· Permanent Employees- 100
· Permanent Women Employees- 100
· Casual/Temporary/Contractual Employees- 75
· Employees with Disabilities-NA</td></tr>
</table>

PRINCIPLE 4

1 **Has the Company mapped its internal and external stakeholders?** Yes

2 **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.** Yes

3 **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Yes. Please refer the CSR policy of the Company attached in this Annual Report and also more details are provided at: https://www.dwarikesh.com/farmers.html

PRINCIPLE 5

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

The principles stated in our code and policies which include respect for human rights and dignity of all stakeholders, extend to the group, joint venture, suppliers and all those who work with us.

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

In FY 2021-22, one concern from stakeholder was received and was resolved satisfactorily.

PRINCIPLE 6

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

Yes. Please refer the Corporate Environment policy available at https://www.dwarikesh.com/pdf/2021/ Corporate-Environment-Policy-Copy-signed.pdf

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

Yes. Please refer the Corporate Environment policy available at https://www.dwarikesh.com/pdf/2021/ Corporate-Environment-Policy-Copy-signed.pdf

3 **Does the Company identify and assess potential environmental risks?**

Yes

4 **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Not Applicable

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

Yes. Kindly refer our products page at weblink: https:// www.dwarikesh.com/captive.html

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

Yes

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

None

PRINCIPLE 7

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

Federation of India Chambers of Commerce and Industry (FICCI)

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

No

PRINCIPLE 8

1 **Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8?**

Yes. Please refer the Performances & Operations part in the Annual Report & CSR Report.

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

The Company uses all kinds of modes.

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

Yes.

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

Dwarikesh Group strongly belief that "Businesses cannot be successful when the society around them fails."

DSIL has always tried to contribute to the development of our society employing all the resources we can. The DSIL Group's definition of Corporate Social Responsibility. "CSR is integral to the business model of Dwarikesh Sugar Industries Ltd. through R R Morarka Charitable Trust, Narbada Devi Charitable Trust, Sewa Jyoti and its business unit CSR programs, 'DSIL' serves as a catalyst for development in the communities it operates in. DSIL serves as catalyst because it's like a substance that causes quick change or development in the community where they operate. The development explains not just about economic or financial development but also the development of community in terms of education, health, livelihood and more.

DSIL works in a host of areas including education, health, rural development, self-employment training, women's empowerment, rehabilitation of the handicapped, agriculture, environment, preservation of art and culture, handicrafts, rural sports, flood relief, family planning and child labour welfare. Its services have benefitted people of all religions, castes, regions and sections of the society as it works without any bias, discrimination or favoritism.

CSR initiatives create an immense influence on winning over the trust and confidence of concerned stakeholders thereby improving the business sustainability and performance of sugar manufacturing units. The findings of the study seem to be consistent with the stakeholder theory in order to understand and explain the firms' responsibilities toward their stakeholders.

DSIL and supporting NGO SEWAJYOTI is working exactly as a flame of service spreading light of hope and happiness among those who are not in a position to meet their basic needs such as food, education, self-employment, shelter and medical aid etc. The Rajasthan Government has Six times recognized our services to the society and has generously bestowed upon our chief trustee the highly prestigious BHAMASHAH AWARD in 2006, 2011, 2016, 2018, 2019 and 2020 (BHAMASHAH AWARD and SHIKSHA BHUSHAN AWARDS – 2018, 2019 & 2020) for a keen contribution to the cause of social development and expressed our commitment to work in the fields of education, Infrastructure development, health, women empowerment through employment generation, agriculture and industrial development.

(A) DSIL Activities

I To combat COVID-19 - As a part of its Corporate Social Responsibility initiatives, DSIL has incurred following amounts :

i From 01.04.21 to 31.03.2022:

a. Other expenses related to providing oxygen plants/Masks to hospitals and required persons – ₹66,28,198/-

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

Yes. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community. Internal tracking mechanisms, monthly reports and follow-up field visits, telephonic and email communications are regularly carried out. The Company has engaged highly trained employees to drive and monitor the CSR activities.

PRINCIPLE 9

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

Nil

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

No

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

No

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

No

Independent Auditor's Report

To
The Members of
Dwarikesh Sugar Industries Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1	**Calculation of deferred tax liability on the basis of dual rates.** From the financial year commencing April 1, 2019, the Government of India Promulgated the Taxation Laws (Amendment) Ordinance, 2019 (enacted into Taxation Laws) (Amendment) Act, 2019) has introduced Section 115BAA of the Income Tax Act 1961 in which companies can opt for lower tax rate based on certain conditions such as foregoing exemptions/deductions including deduction under chapter VI A and foregoing the benefits of MAT credit entitlement.	**Principal Audit Procedures** Our audit procedures in relation to the recognition of deferred tax assets/liabilities included, but were not limited to, the following: Evaluated the design and tested the operating effectiveness of key controls implemented by the Company over recognition of deferred tax assets based on the assessment of Company's ability to generate sufficient taxable profits in foreseeable future allowing the use of deferred tax assets.

Sr. No.	Key Audit Matters	Auditor's Response
	As per Para 47 of IND AS 12 and clarifications given in bulletin no 23 of ITFG, where a company expects to avail of the lower tax rate only from a later financial year it should apply the lower tax rate in measurement of deferred taxes only to the extent that the deferred tax assets are expected to be realised or deferred tax liabilities are expected to be settled in the periods during which the Company expects to be subject to lower tax rate. To the extent deferred tax assets are expected to be realised or deferred tax liabilities are expected to be settled in earlier periods, the normal tax rate should be applied. Based on the assessment made by the Company, deferred tax liability/Assets as on March 31, 2022 has been calculated on the basis of dual rates as may be applicable in future. Measurement of deferred tax assets & liabilities has resulted in reversal of deferred tax liability of ₹1,628.69 Lakhs. For details: - Refer Note No 58 to the Financial Statements	Considered the relevant accounting standards and clarifications given by ITFG for recognition of deferred tax assets and liabilities based on the tax rates expected to be applied at the time of reversal and assessed the appropriateness of the recognition of Deferred Tax Assets/Liabilities. Evaluated the management's assessment for complying with the prescribed conditions as mentioned in the relevant notification issues by income Tax department. Understood and verified the assumptions taken for preparation of future profit projections, utilisation of MAT Credit and for migration to new tax regime as prepared by the management. Tested the arithmetical accuracy of the calculations performed by the management. Evaluated management's assessment of time period available for adjustment of such deferred tax assets as per provisions of the Income-tax Act, 1961 and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes. Evaluated the appropriateness of the disclosures made in the financial statements in respect of deferred tax assets. Based on the above procedures performed, we are reasonably certain on recognition and disclosure of Deferred Tax Assets/Liabilities.
2.	**Determination of net realizable value of inventory of sugar as at the year ended March 31, 2022** As on March 31, 2022, the Company has inventory of sugar with the carrying value ₹63,318.05 lakhs. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the value of the inventory of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, fluctuation in selling prices and the related notifications of the Government in determination of net realizable value. For details: - Refer Note No 10 & 45 (c) to the Financial Statements.	**Principal Audit Procedures** We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar. We considered various factors including the actual selling price prevailing around and subsequent to the year-end minimum selling price & monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole. Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year end and comparison with cost for valuation of inventory, is considered to be reasonable.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and business responsibility report including Annexures to Board's Report and Corporate Governance and Shareholder's information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, thereof.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of cash flow and the statement of changes in equity dealt with by this Report are in agreement with the relevant books of account;

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) relevant Rules, 2015, as amended, thereof;

   e) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

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

   i. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its financial statements – Refer Note 39, 40, 41 and 42 to the financial statements;

   ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts; and

   iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

   iv. (a) The Management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (b) The Management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub-clause (i) and (ii) of Rule 11 (e) as provided under paragraph (2) (h) (iv) (a) & (b) above, contain any material misstatement.

   v. As stated in Notes 18 to the financial statements:

   (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

   (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

For NSBP & Co.
Chartered Accountants
Firm's Registration No. 001075N

Deepak K. Aggarwal
Partner
Membership No: 095541
UDIN: 22095541AIGPQV7129

Place: New Delhi
Date: May 02, 2022

Annexure A to the Independent Auditor's Report to the members of Dwarikesh Sugar Industries Limited on its financial statements dated May 02, 2022.

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

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

i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment and right-of use assets have been physically verified by the management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. The discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties are held in the name of the Company.

(d) The Company has not revalued its property, plant and equipment (including right-of use assets) and intangible assets during the year.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records in each class of inventory is less than 10% and have been properly dealt with in the books of accounts.

(b) As disclosed in note 44 to the financial statements, the Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

(₹ In lakhs)

Quarter ending	Value as per books of account	Value as per quarterly return/ statement filed with lenders	Difference	Reason for differences
June 30, 2021	90,523.93	80,131.76	10,392.17	As explained by the management, the differences are because the statements filed with the lenders are based on financial statements which are prepared on provisional basis and also on account of exclusion of certain current assets in the statements filed with the lenders.
September 30, 2021	50,504.37	42,206.85	8,297.52	
December 31, 2021	49,187.56	39,708.63	9,478.93	
March 31, 2022	84,686.73	71,710.42	12,976.31	

iii The Company has not made any investment, provided any security or guarantee or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnership or any other parties covered except an investment made during the year in a company, the terms and condition of the same are not prejudicial to the interest of the Company. Accordingly, reporting under clause 3 (iii) (a), (c) to (f) of the Order are not applicable to the Company.

iv In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act, with respect to investment made.

v According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under. Accordingly, reporting under clause 3 (v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company as specified by the Central Government of India under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

vii. (a) According to the records of the Company examined by us and the information and explanations given to us, in our opinion the Company is generally regular in depositing its undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, with the appropriate authorities. Employees' state insurance is not applicable on the Company. Further, there were no undisputed amounts outstanding at the year-end 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 the records of the Company examined by us, the dues of duty of excise, service tax and income tax have not been deposited on account of dispute along with the forum where the dispute is pending as follows:

Name of the statute	Nature of the dues	Gross Amount in dispute (₹ in lakhs)	Amount deposited (₹ in lakhs)	Net amount outstanding (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Service Tax	41.81	0.00	41.81	2010-11 to 2011-12	AC/DC
Central Excise Act, 1944	Excise duty and Penalty	13.89	9.79	4.10	Apl-07 to Dec-07	AC/DC
Central Excise Act, 1944	Excise duty and Penalty	1.97	0.00	1.97	Jul-97, Aug-97 to Oct-97	Comm. (A), Meerut
Finance Act, 1994	Service Tax	265.52	10.38	255.14	Apr-16 to Jun-17	Commissioner, Noida
Finance Act, 1994	Service Tax	11.56	0.23	11.33	Nov-05 to Mar-09, Apr-09 to Sep-09, Oct-09 to Mar-10, Apr-10 to Sep-10, Oct-10 to Mar-11, Apr-15 to Mar-17, Apr-17 to Jun-17, Apr-07 to May-09, 'Sep-09, Jul-15 to May-16, Jun-16 to Jun-17, Apr-16 to Jun-17	Superintendent
Central Excise Act, 1944	Excise duty and Penalty	1.66	0.77	0.89	Apr-09 to Sep-09, Apr-10 to Sep-10, Apr-11 to Sep-11, Sep-15 to Mar-17, Apr-17 to Jun-17, March 09, Oct-09 to Mar-10, Feb-16 to Jun-17	Superintendent

Name of the statute	Nature of the dues	Gross Amount in dispute (₹ in lakhs)	Amount deposited (₹ in lakhs)	Net amount outstanding (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	3.11	0.00	3.11	April 07 to April 09	Superintendent
Income Tax Act, 1962	Income Tax	5.46	-	5.46	For various years	TDS- CPC
Income Tax Act, 1962	Income Tax	270.16	Adjusted against the MAT credit available to the Company	0.00	Assessment Year 2017-2018	ITAT, Mumbai

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

ix (a) According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender including the loans and interest which are repayable on demand.

(b) According to the information and explanations given to us and the records of the Company examined by us including representation received from the management, the Company has not been declared wilful defaulter by any bank, financial institution or other lenders or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, prima facie, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix) (e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix) (f) of the Order is not applicable to the Company.

x (a) According to the information and explanations given to us and as per the books and records examined by us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under clause 3 (x) (a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and as per the books and records examined by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.

xi (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year. Accordingly, reporting under clause 3 (xi) (a) and (b) of the Order is not applicable to the Company.

(b) According to the information & explanations and representation made by the management, no whistle- blower complaints have been received during the year (and up to the date of the report) by the Company.

xii In our opinion, the Company is not a Nidhi Company. Accordingly reporting under clause 3 (xii) (a) to (c) of the Order is not applicable to the Company.

xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards.

xiv (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence requirement to report on clause 3 (xv) of the Order is not applicable to the Company.

xvi (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3 (xvi) (a) to (c) of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause 3 (xvi) (d) of the Order is not applicable.

xvii In our opinion, and according to the information and explanations provided to us, The Company has not incurred cash losses in the current financial year and in the immediate preceding financial year.

xviii There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause (xviii) of the Order are not applicable to the Company.

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

xx (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 52 to the financial statements.

(b) There are no unspent amounts and ongoing projects in the Company, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

For NSBP & Co.
Chartered Accountants
Firm's Registration No. 001075N

Deepak K. Aggarwal
Partner
Membership No: 095541
UDIN: 22095541AIGPQV7129

Place: New Delhi
Date: May 02, 2022

“Annexure B” to the Independent Auditor’s Report to the members of Dwarikesh Sugar Industries Limited (‘the Company’) on its financial statements dated May 02, 2022.

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1(f) of ‘Report on Other Legal and Regulatory Requirements’ section

We have audited the internal financial controls over financial reporting of Dwarikesh Sugar Industries Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management and Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

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

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal controls system over financial reporting and such internal controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NSBP & Co.
Chartered Accountants
Firm's Registration No. 001075N

Deepak K. Aggarwal
Partner
Membership No: 095541
UDIN: 22095541AIGPQV7129

Place: New Delhi
Date: May 02, 2022

Balance Sheet as at March 31, 2022

CIN No: L15421UP1993PLC018642

(₹ In Lakhs)

	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	3	38,613.63	40,756.96
(b) Right-of-use assets	3 a	196.24	237.07
(c) Capital work - in - progress	4	14,250.32	51.45
(d) Intangible assets	3	-	-
(e) Financial assets			
(i) Investments	5	31.90	13.26
(ii) Others	6	153.51	127.12
(f) Deferred tax assets (net)	7	2,463.00	4,977.36
(g) Income tax assets (Net)	8	25.47	26.06
(h) Other non - current assets	9	1,532.80	186.77
		57,266.87	**46,376.05**
(2) Current assets			
(a) Inventories	10	75,769.75	85,530.63
(b) Financial assets			
(i) Investments	11	-	20.00
(ii) Trade receivables	12	3,453.24	6,786.63
(iii) Cash and cash equivalents	13	23.26	14.82
(iv) Bank balances other than (iii) above	14	3,832.00	102.80
(v) Loans	15	29.91	14.67
(vi) Others	16	115.27	100.67
(c) Other current assets	17	1,463.30	5,597.67
		84,686.73	**98,167.89**
Total assets		**1,41,953.60**	**1,44,543.94**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	18	1,883.01	1,883.01
(b) Other equity	19	65,445.71	56,008.10
		67,328.72	**57,891.11**
(2) Liabilities			
(I) Non - current liabilities			
(a) Financial liabilities			
(I) Borrowings	20	20,092.28	14,675.11
(II) Lease Liabilities	20	80.61	109.60
(b) Provisions	21	2,227.87	2,181.92
(c) Other non-current liabilities	22	63.39	113.28
		22,464.15	**17,079.91**
(II) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	31,976.52	45,754.29
(II) Lease Liabilities	23	126.78	142.07
(iii) Trade payables	24		
(a) Total outstanding dues of the Micro and, Small Enterprises		160.57	148.80
(b) Trade payables other than (a) above		9,473.15	18,609.22
(iv) Other financial liabilities	25	8,849.41	3,474.02
(b) Other current liabilities	26	309.02	396.97
(c) Provisions	27	440.73	378.73
(d) Income tax liabilities (Net)	28	824.55	668.82
		52,160.73	**69,572.92**
Total equity and liabilities		**1,41,953.60**	**1,44,543.94**
Significant accounting policies	1 & 2		

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **NSBP & Co.**
Chartered Accountants
Firm Regn. No. 001075N

Deepak K. Aggarwal
Partner
Membership No. 095541
UDIN: 22095541AIGPQV7129

Place: New Delhi
Date: May 02, 2022

For and on behalf of the Board of Directors of
DWARIKESH SUGAR INDUSTRIES LIMITED

G. R. Morarka
Executive Chairman
DIN: 00002078

Vijay S. Banka
Managing Director
DIN: 00963355

B. J. Maheshwari
Managing Director & CS cum CCO
DIN: 00002075

Sunil Kumar Goel
Chief Financial Officer

Place: Mumbai
Date: May 02, 2022

Statement of Profit and Loss for the year ended March 31, 2022

CIN No: L15421UP1993PLC018642

(₹ In Lakhs)

		Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I.	Income			
	Revenue from operations	29	1,97,406.14	1,83,884.65
	Other income	30	316.45	709.59
II.	**Total income**		**1,97,722.59**	**1,84,594.24**
III.	Expenses			
	Cost of materials consumed	31	1,37,249.04	1,36,662.72
	Changes in inventories of finished goods and work-in-progress	32	10,276.92	6,443.67
	Employee benefits expense	33	9,629.50	9,274.67
	Finance costs	34	3,165.77	4,765.38
	Depreciation and amortization expenses	35	4,362.92	4,089.40
	Other expenses	36	11,170.96	11,378.19
IV.	**Total expenses**		**1,75,855.11**	**1,72,614.03**
V.	Profit before exceptional items and tax (II - IV)		21,867.48	11,980.21
VI.	Exceptional items		-	-
VII.	Profit before tax (V+VI)		21,867.48	11,980.21
VIII.	Tax expense:			
	(1) Current tax	37	3,851.41	2,112.52
	(2) Adjustment of tax relating to earlier years		(0.06)	(1.46)
	(3) Deferred tax charge/(credit)	7	2,494.58	715.32
IX.	**Net Profit for the year (VII - VIII)**		**15,521.55**	**9,153.83**
X.	Other comprehensive income/(loss)			
	A (i) Items that will not be reclassified to profit or loss	38	55.64	(16.60)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(19.78)	5.88
	B (i) Items that will be reclassified to profit or loss Fair value changes on derivatives designated as cash flow hedge		-	579.85
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	(202.62)
	Total other comprehensive income/(loss), net of taxes		**35.86**	**366.51**
XI.	**Total comprehensive income/(loss) for the year (IX + X)**		**15,557.41**	**9,520.34**
XII.	Earning per equity share (face value ₹1 per share)			
	(1) Basic		8.24	4.86
	(2) Diluted		8.24	4.86
	Significant accounting policies	1 & 2		

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of
DWARIKESH SUGAR INDUSTRIES LIMITED

For **NSBP & Co.**
Chartered Accountants
Firm Regn. No. 001075N

Deepak K. Aggarwal
Partner
Membership No. 095541
UDIN: 22095541AIGPQV7129

Place: New Delhi
Date: May 02, 2022

G. R. Morarka
Executive Chairman
DIN: 00002078

Vijay S. Banka
Managing Director
DIN: 00963355

B. J. Maheshwari
Managing Director & CS cum CCO
DIN: 00002075

Sunil Kumar Goel
Chief Financial Officer

Place: Mumbai
Date: May 02, 2022

Cash Flow Statement for the year ended March 31, 2022

CIN No: L15421UP1993PLC018642

(₹ In Lakhs)

	Year ended March 31, 2022		Year ended March 31, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		21,867.48		11,980.21
Adjustments for :				
Depreciation and amortization expenses	4,362.92		4,089.40	
Loss/(profit) on sale of property, plant and equipment (net)	6.02		10.08	
Finance costs	3,165.77		4,765.38	
Interest income on bank deposit & income tax refund	(53.01)		(163.48)	
Interest income on financial assets carried at amortised cost	(193.22)	7,288.48	(319.34)	8,382.04
Operating profit before working capital changes		**29,155.96**		**20,362.25**
Adjustments for changes in Working Capital :				
(Increase)/Decrease in :-				
Inventories	9,760.88		5,718.95	
Trade and other receivables	3,485.48		5,086.27	
Trade and other payables	(3,461.83)	9,784.53	(1,503.29)	9,301.93
Cash generated from operations		38,940.49		29,664.18
Direct taxes (paid)/refund (net)		(3,695.03)		(101.33)
Net cash from operating activities		**35,245.46**		**29,562.85**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment & intangible assets and capital work in progress (including capital advances)	(17,534.20)		(1,948.03)	
Investment made during the year	(20.00)		-	
Proceeds from sale of property, plant and equipment	15.97		22.17	
Proceeds from investment redeemed during the year	20.00		-	
Interest received	53.01		163.48	
Net cash used in investing activities		**(17,465.22)**		**(1,762.38)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(repayment) of long term borrowings (net)	5,410.51		(18,494.46)	
Proceeds/(repayment) of short term borrowings (net)	(13,911.56)		(5,114.29)	
Interest paid	(3,128.06)		(4,343.23)	
Equity Dividend	(6,119.80)		-	
Repayment of lease liability	(22.89)		(25.67)	
Net cash used in financing activities		**(17,771.80)**		**(27,977.65)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**8.44**		**(177.18)**
Cash and cash equivalents at the beginning of the year		14.82		192.00
Cash and cash equivalents at the end of the year		23.26		14.82

Cash Flow Statement for the year ended March 31, 2022

CIN No: L15421UP1993PLC018642

Notes:

1. Cash and cash equivalents at the end of the year comprise:

(₹ In Lakhs)

	Year ended March 31, 2022		Year ended March 31, 2021	
i) Current accounts	9.45		6.03	
ii) Cash on hand	13.81		8.79	
Total		**23.26**		**14.82**

2. Figures in bracket indicate cash outflow.

3. The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 specified under section 133 of the Companies Act 2013.

4. Previous year figures have been regrouped and recasted wherever necessary to confirm to the current year's classification.

Reconciliation of liabilities arising from financing activities

(₹ In Lakhs)

	Non current borrowings (incl. current maturities and deferred grant related to borrowings)	Current Borrowings	Interest payable (other than on lease liabilities)	Lease liabilities	Dividend paid to Company's shareholders
Balance as at 31st March 2020	**38,187.53**	**46,116.64**	**(388.29)**	**326.43**	**-**
Cash flows	(18,494.46)	(5,114.29)	(4,343.23)	(25.67)	-
Finance cost accruals	-	-	4,739.71	25.67	-
Lease liabilities accruals	-	-	-	(74.76)	-
Dividend distributions accruals	-	-	-	-	-
Balance as at 31st March 2021	**19,693.07**	**41,002.35**	**8.19**	**251.67**	**-**
Cash flows	5,410.51	(13,911.56)	(3,128.06)	(22.89)	(6,119.80)
Finance cost accruals	-	-	3,142.88	22.89	-
Lease liabilities accruals	-	-	-	(44.28)	-
Dividend distributions accruals	-	-	-	-	6,119.80
Balance as at 31st March 2022	**25,103.58**	**27,090.79**	**23.01**	**207.39**	**-**

Significant accounting policies 1 & 2

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of
DWARIKESH SUGAR INDUSTRIES LIMITED

For **NSBP & Co.**
Chartered Accountants
Firm Regn. No. 001075N

Deepak K. Aggarwal
Partner
Membership No. 095541
UDIN: 22095541AIGPQV7129

Place: New Delhi
Date: May 02, 2022

G. R. Morarka
Executive Chairman
DIN: 00002078

Vijay S. Banka
Managing Director
DIN: 00963355

B. J. Maheshwari
Managing Director & CS cum CCO
DIN: 00002075

Sunil Kumar Goel
Chief Financial Officer

Place: Mumbai
Date: May 02, 2022

Statement of Change in Equity for the year ended March 31, 2022

CIN No: L15421UP1993PLC018642

A. Equity Share Capital

(₹ In Lakhs)

	March 31, 2022	Change during the year	March 31, 2021	Change during the year	April 1, 2020
Balance of Equity Share Capital	1,883.01	-	1,883.01	-	1,883.01
	1,883.01	-	1,883.01	-	1,883.01

B. Other equity

(₹ In Lakhs)

	Reserves and surplus					Other comprehensive income			Total
	Capital reserve	Securities premium	Retained earnings	Capital redemption reserve	General reserve	Equity instruments through other comprehensive income	Cash flow hedging reserves	Other	
Balance as at April 01, 2020	**59.87**	**14,688.11**	**29,750.46**	**2,362.00**	**127.57**	**10.99**	**(377.23)**	**(134.01)**	**46,487.76**
Add : Profit for the year	-	-	9,153.83	1,500.00	-	-	-	-	10,653.83
Add : Other comprehensive income (net of income tax)	-	-	-	-	-	0.34	377.23	(11.06)	366.51
Less : Transfer during the year	-	-	(1,500.00)	-	-	-	-	-	(1,500.00)
Balance as at March 31, 2021	**59.87**	**14,688.11**	**37,404.29**	**3,862.00**	**127.57**	**11.33**	**-**	**(145.07)**	**56,008.10**
Add : Profit for the year	-	-	15,521.55	-	-	-	-	-	15,521.55
Less : Dividend paid during the year	-	-	(6,119.80)	-	-	-	-	-	(6,119.80)
Add : Other comprehensive income (net of income tax)	-	-	-	-	-	(1.22)	-	37.08	35.86
Balance as at March 31, 2022	**59.87**	**14,688.11**	**46,806.04**	**3,862.00**	**127.57**	**10.11**	**-**	**(107.99)**	**65,445.71**

Statement of Change in Equity for the year ended March 31, 2022

CIN No: L15421UP1993PLC018642

Note:

(i) Securities premium: securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares, write off equity related expenses like underwriting cost etc.

(ii) Retained earnings represents the undistributed profits of the Company.

(iii) General reserve represents the statutory reserve, this is in accordance with Indian corporate law wherein a portion of profit is appropriated to general reserve. Under the erstwhile Companies Act 1956, it was mandatory to transfer amount before a company can declare dividend, however Companies Act 2013, transfer of any amount to general reserve is at the discretion of the Company."

(iv) Capital redemption reserve represents the statutory reserve created when capital is redeemed.

(v) Other comprehensive income(OCI) reserve represents the balance in equity for items to be accounted in other comprehensive income. OCI is classified in to i) items that will not be reclassified to statement of profit & loss and ii) items that will be reclassified to statement of profit & loss.

(vi) Capital reserve represents forfeited amount pertaining to funds raised through preferential allotment of equity share warrants and the same have been utilised for augmenting long term resources.

Significant accounting policies 1 & 2

The accompanying notes form an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors of
DWARIKESH SUGAR INDUSTRIES LIMITED

For **NSBP & Co.**
Chartered Accountants
Firm Regn. No. 001075N

Deepak K. Aggarwal
Partner
Membership No. 095541
UDIN: 22095541AIGPQV7129

Place: New Delhi
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Managing Director
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Managing Director & CS cum CCO
DIN: 00002075

Sunil Kumar Goel
Chief Financial Officer

Place: Mumbai
Date: May 02, 2022

1. Company overview and significant accounting policies

A. Corporate Overview

Dwarikesh Sugar Industries Limited (DSIL) is a public limited company domiciled in India and was incorporated in the year 1993 under the provisions of the Companies Act, 1956 superseded by the Companies Act, 2013.

DSIL is integrated conglomerate, primarily engaged in manufacture of sugar and allied products. From a humble beginning in 1993, DSIL today is a multi-faceted, fast growing industrial group with the strong presence in diversified fields such as sugar manufacturing, power and ethanol/industrial alcohol production.

The Company has three sugar manufacturing units, out of which 2 units namely Dwarikesh Nagar and Dwarikesh Puram are located in Bijnor District of Uttar Pradesh (U.P.) and one unit namely Dwarikesh Dham in Bareilly District (U.P.).

The Company is listed on the National Stock Exchange of India and Bombay Stock Exchange of India. These financial statements are presented in Indian Rupees (₹).

Registration details: Registration No. CIN No. L15421 UP1993 PLC 018642 State code 20

B. i) Statement of compliance:

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013. The Financial Statements comply with IND AS notified by Ministry of Company Affairs (“MCA”). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

These financial statements are approved and adopted by board of directors of the Company in their meeting held on Monday ,May 02,2022.

ii) Basis of preparation:

The financial statements have been prepared accrual basis on historical cost convention, except as stated otherwise.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.”

C. Operating cycle

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

D. Functional and presentation currency

The financial statements are presented in Indian rupees, which is the functional currency of the Company. All the financial information presented in Indian rupees has been rounded to the nearest thousand.

E. Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities and contingent assets at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Property, plant and equipment (PPE)

PPE represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed periodically including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as change in technology.

(ii) Recognition and measurement of defined benefit obligations

The obligation arising from define benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumption includes discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities. The period to maturity of the underlying securities correspond to the probable maturity of the post-employment benefit obligations.

(iii) Fair value measurement of financial instruments

When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in activate markets, their fair value is measured using valuation technique. The input to these models are taken from the observable market where possible, but if this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to these assumption could affect the fair value of financial instrument.

(iv) Intangibles

Intangible assets are amortized over their estimated useful life as estimated by management on straight line basis, commencing from the date, the asset is available to the Company for its use. Computers software are depreciated fully in the year of addition.

(v) Provision for contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

F. Impairment of financial instruments

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above."

2. Significant accounting policies

A. Property, plant and equipment (PPE)

Property, plant and equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses. When significant part of the property, plant and equipment are required to be replaced at intervals, the Company derecognized the replaced part and recognized the new parts with its own associated useful life and depreciated it accordingly. Likewise when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment if the recognition criteria are satisfied. All other repair and maintenance cost are recognized in the statement of the profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Pre-operative expenditure incurred up to the date of commencement of commercial production is capitalized as part of property, plant and equipment.

Emergency machinery spares of irregular use and critical insurance machinery spares are capitalized as part of relevant plant & machinery.

Capital work in progress includes property plant & equipment under installation/under development as at the balance sheet date.

Capital expenditure on property, plant and equipment for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

Property, plant and equipment are derecognised from the financial statement, either on disposal or when no economic benefits are expected from its use or disposal. Losses arising in the case of retirement of property, plant and equipment and gain or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

B. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit & loss as & when incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit & loss in the period of de-recognition.

C. Intangible assets

Intangible assets are amortized over their estimated useful life on straight line basis, commencing from the date, the asset is available to the Company for its use.

Items of expenditure that meet the recognition criteria as mentioned in Accounting Standard are classified as intangible assets and are amortized over the period of economic benefits not exceeding ten years, except Computers software which is depreciated fully in the year of addition.

D. Depreciation and amortization

The assets' residual values, useful lives and methods of deprecation are reviewed each financial year end and adjusted prospectively, if applicable.

Depreciation on property, plant and equipment is provided on straight line method over the useful life of assets estimated by the Management. Property, Plant and Equipment which are added / disposed of during the year, deprecation is provided pro-rata basis with reference to the month of addition / deletion.

The management estimates the useful life for fixed assets as follows:

Asset*	Useful life (years)
Factory building	28.50
Non factory building	58.25
Plant & machinery other than sugar rollers	18 to 20
Plant & machinery – rollers	1
Office equipment	13.50
Furniture and fixture	15
Vehicles	10

(*) Based on technical evaluation, the management believes that useful life as given above represents the period over which management expects to use these assets. Hence, the useful life for these assets is different from the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013.

Computers (including accessories and peripherals) and temporary structures are depreciated fully in the year of addition. All assets costing ₹5,000 or below are depreciated in one-year period.

Depreciation and amortization methods, useful life and residual values are reviewed periodically, including at the end of each financial year.

E. Capital work-in-progress

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

F. Impairment of Non-financial assets

Property, plant and equipment, intangible assets and assets classified as investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years. Impairment losses on continuing operations, including impairment on inventories are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

G. Inventories

Inventories are valued at lower of cost or net realizable value except in case of scrap which is taken at net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale. Cost for various items of inventory is determined as under:

Raw Materials & Components (including those in transit)	Purchase cost including incidental expenses on FIFO basis
Chemicals, packing material and other store & spares (including those in transit)	Purchase cost including incidental expenses on weighted average basis.
Work in progress	At raw material cost including proportionate production overheads.
Finished Goods :	
1. Sugar	1. At raw material cost including proportionate production overheads.
2. Molasses	
(i) 'C' Heavy	2 (i) At average net realizable price.
(ii) 'B' Heavy	2 (ii) At derived value based on the yield / recovery of molasses & ethanol reckoned with respect to the net realisable value of the finished product (including related incidental expenses, wherever applicable).
3. Industrial Alcohol	3. At value of molasses as determined above plus proportionate production overheads in distillery.
4. Traded Goods	4. Purchase cost including incidental expenses on FIFO basis.

H. Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

I. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

"Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right- of- use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows."

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

J. Earnings per share

Basic earnings per share are 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 year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

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.

K. Provisions, contingent liabilities and contingent assets

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settled the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.

If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the notes in case of:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
- A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation
- A present obligation arises from the past event, when no reliable estimate is possible
- A present obligation arises from the past event, unless the probability of outflow are remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

Contingent assets

Contingent assets are not recognized in the financial statements.

L. Interest in Joint Ventures and associates

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each balance sheet date.

M. Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The

Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

N. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods

Sales is accounted for upon dispatch of goods from the factory when the risks and rewards of ownership are transferred to the buyer.

Ind AS 115 provides for a five step model for the analysis of Revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Renewable Energy Certificates (REC's)

Entitlement to Renewable Energy Certificates (REC) owing to generation of power are recognised to the extent sold and treated as capital receipt.

Interest

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue in respect of dividends is recognised when the shareholders rights to receive payment is established by the balance sheet date.

Insurance claim

Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.

O. Foreign currency translation/conversion

Standalone financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

- **Initial recognition**

  Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

- **Conversion**

  Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

- **Exchange differences**

  The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively)."

P. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss as other gains/(losses)."

Q. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

R. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

Defined contribution plan:

Retirement benefits in the form of provident fund and superannuation scheme are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund/trust.

Defined benefit plan:

The Company's liabilities on account of gratuity and earned leaves on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from registered actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19- 'Employee Benefits'. Gratuity liability is funded on year-to-year basis by contribution to respective fund. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Accumulated leaves, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year-end.

S. Financial Instruments

(a) Financial Assets

i. Classification

The Company classified financial assets as subsequently measured at amortized cost, fair value though other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and contractual cash flow characteristics of the financial asset.

ii. Initial Recognition and Measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of financial assets.

iii. Subsequent Measurement

For the purpose of subsequent measurement the financial assets are classified in three categories:

- Debt instruments at amortized cost
- Debt instrument at fair value through profit or loss
- Equity investments

iv. Debt instrument at amortized cost

A "debts instrument" is measured at the amortized cost. Amortized cost if both the following condition are met.

- The assets is held within a business model whose objective is to hold assets for collecting contractual cash flow, and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding.

After initial measurement, such financial assets are subsequently measurement at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount and premium and fee or costs that are an integral part of an EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

v. Debt instrument at Fair value through Profit or loss

Debt instruments included within the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss."

vi. Equity investments

All equity investments other than investment in subsidiaries, joint venture and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then fair value changes on the instrument, excluding dividends, are recognized in other compressive income (OCI). There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of such investments.

Equity instrument includes within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit or loss.

vii. Derecognition

A financial assets (or, where applicable, a part of a financial asset) is primarily derecognized when:

- The right to receive cash flows from the assets have expired or
- The Company has transferred substantially all the risks and rewards of the assets, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

viii. Impairment of financial assets

The Company applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instrument and are measured at amortized cost e.g. loans, debt securities, deposits, and bank balance.
- **Trade receivables**

  The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognized impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition."

(b) Financial liabilities

i. Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost.

ii. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loan and borrowings and payables net of directly attributable transaction costs.

iii. Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) Method. Gain and losses are recognized in statement of profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and transaction cost. The EIR amortization is included as finance cost in the statement of profit and loss.

This category generally applies to loans & Borrowings.

iv. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lander on substantially different terms, or the terms of an existing liability are, substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount recognized in the Statement of Profit and loss.

v. Offsetting of financial instrument

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(c) Derivative financial instruments

The Company uses derivative instruments as a part of its management of exposure to fluctuations in foreign currency exchange rates. The Company does not acquire or issue derivative instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury.

All derivative financial instruments are recognised as assets or liabilities on the balance sheet and measured at fair value, generally based on quotation obtained from banks/financial institutions. The accounting for changes in the fair value of a derivative instruments depends on the intended use of the derivatives and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and non current assets and liabilities. Derivatives that are designated as hedges are classified as current and non current depending upon the maturity of the derivatives.

The use of derivative can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into the contract with reputable banks/ financial institution. The use of derivative instrument is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by the management and board. The market risk on derivatives are mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Cash flow hedge

The Company designates certain foreign exchange forward as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to the Statement of Profit and Loss.

(d) Share capital

Ordinary equity shares

Incremental cost directly attributable to the issue of ordinary equity shares are recognized as a deduction from equity.

T. Segment accounting and reporting

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The Operating Segments have been identified on the basis of the nature of products/ services.

i. Segment Revenue includes sales and other income directly identifiable with/ allocable to the segment including inter- segment revenue.

ii. Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment result. Expenses not allocable to segments are included under unallocable expenditure.

iii. Income not allocable to the segments is included in unallocable income

iv. Segment results includes margin on inter segment and sales which are reduced in arriving at the profit before tax of the Company.

v. Segment assets and Liabilities include those directly identifiable with the respective segments. Assets and liabilities not allocable to any segment are classified under unallocable category."

U. Government grants

Government grants are recognized at fair value when there is reasonable assurance that the grant would be received and the Company would comply with all the conditions attached with them.

Government grants related to PPE are treated as deferred income (included under non-current liabilities with current portion considered under current liabilities) and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset and included under "Other Income".

Government grants related to revenue nature are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate and are adjusted with the related expenditure.

If not related to a specific expenditure, it is taken as income and presented under "Other Income".

Notes to Financial Statements as at March 31, 2022

CIN No: L15421UP1993PLC018642

3. Property, plant and equipment & intangible assets

(₹ In Lakhs)

	A. Property, plant and equipment								B. Intangible Assets		Total (A+B)
	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total (A)	Computer software (Bought out)	Total (B)	
Gross Block (at cost)											
As at 01.04.2020	817.60	13,644.33	73,938.60	455.66	623.56	159.34	442.83	90,081.92	214.80	214.80	90,296.72
Additions	-	69.17	1,673.38	42.71	173.80	5.06	38.35	2,002.47	-	-	2,002.47
Disposals	-	-	(30.91)	(11.02)	(61.75)	(3.62)	(8.64)	(115.94)	(5.20)	(5.20)	(121.14)
As at 31.03.2021	**817.60**	**13,713.50**	**75,581.07**	**487.35**	**735.61**	**160.78**	**472.54**	**91,968.45**	**209.60**	**209.60**	**92,178.05**
Additions	-	794.98	1,045.80	31.64	66.60	8.88	105.43	2,053.33	34.22	34.22	2,087.55
Disposals	-	(0.05)	(89.33)	(20.92)	(27.07)	(4.18)	(71.87)	(213.42)	(1.34)	(1.34)	(214.76)
As at 31.03.2022	**817.60**	**14,508.43**	**76,537.54**	**498.07**	**775.14**	**165.48**	**506.10**	**93,808.36**	**242.48**	**242.48**	**94,050.84**
Depreciation/ Amortisation											
As at 01.04.2020	-	5,354.62	40,883.56	317.23	262.45	100.73	442.83	47,361.42	214.80	214.80	47,576.22
Charge for the year	-	303.61	3,503.18	27.74	48.70	8.03	38.35	3,929.61	-	-	3,929.61
Disposals	-	-	(23.99)	(10.19)	(34.06)	(2.66)	(8.64)	(79.54)	(5.20)	(5.20)	(84.74)
As at 31.03.2021	**-**	**5,658.23**	**44,362.75**	**334.78**	**277.09**	**106.10**	**472.54**	**51,211.49**	**209.60**	**209.60**	**51,421.09**
Charge for the year	-	307.01	3,631.77	23.84	58.49	7.27	105.43	4,133.81	34.22	34.22	4,168.03
Disposals	-	(0.01)	(39.34)	(17.94)	(18.82)	(2.59)	(71.87)	(150.57)	(1.34)	(1.34)	(151.91)
As at 31.03.2022	**-**	**5,965.23**	**47,955.18**	**340.68**	**316.76**	**110.78**	**506.10**	**55,194.73**	**242.48**	**242.48**	**55,437.21**
Net Block as at 31.03.2022	**817.60**	**8,543.20**	**28,582.36**	**157.39**	**458.38**	**54.70**	**-**	**38,613.63**	**-**	**-**	**38,613.63**
Net Block as at 31.03.2021	**817.60**	**8,055.27**	**31,218.32**	**152.57**	**458.52**	**54.68**	**-**	**40,756.96**	**-**	**-**	**40,756.96**

Notes:

(i) Refer note no 44 for charges.

(ii) From depreciation and amortisation for the period, ₹0.37 Lakhs (previous year ₹Nil) is transferred to preoperative expenses.

(iii) All immovable properties are held in the name of the Company.

Notes to Financial Statements as at March 31, 2022

CIN No: L15421UP1993PLC018642

3 a - Right- of- Use Assets

(₹ In Lakhs)

	Amount
Gross Block (at cost)	
As at 01.04.2020	472.28
Additions	79.05
Disposals	-
As at 31.03.2021	**551.33**
Additions	113.57
Disposals	-
As at 31.03.2022	**664.90**
Amortisation	
As at 01.04.2020	158.63
Charge for the year	155.63
Disposals	-
As at 31.03.2021	**314.26**
Charge for the year	**154.40**
Disposals	-
As at 31.03.2022	**468.66**
Net Block as at 31.03.2022	**196.24**
Net Block as at 31.03.2021	**237.07**

4 Capital Work in Progress (CWIP):

(₹ In Lakhs)

	Amount
As at 01.04.2020	**189.86**
Additions	
Expenditure made during the year	1,212.40
Capitalised during the year	(1,350.81)
As at 31.03.2021	**51.45**
Expenditure made during the year	15,806.67
Capitalised during the year	(1,607.81)
As at 31.03.2022	**14,250.32**

CWIP Ageing Schedule:

(₹ In Lakhs)

	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 year	More than 2 years	
As at 31.03.2022				
Projects in Progress	14,243.14	7.18	-	14,250.32
Projects temporarily suspended	-	-	-	-
Total	**14,243.14**	**7.18**	**-**	**14,250.32**
As at 31.03.2021				
Projects in Progress	51.45	-	-	51.45
Projects temporarily suspended	-	-	-	-
Total	**51.45**	**-**	**-**	**51.45**

4 Capital Work in Progress (CWIP): # (contd.)

 # Pre-operative expenditure included in CWIP expenses (₹ In Lakhs)

	Amount	Amount
Carried forward as part of CWIP As at 01.04.2020		-
Additions		
Expenditure made during the year		
(i) Interest and other processing fees	-	
(ii) Employee benefit expenses	-	
(iii) Depreciation & amortisation	-	
(iv) Misc. Expenses	7.18	7.18
Capitalised during the year		-
As at 31.03.2021		7.18
Expenditure made during the year		
(i) Interest and other processing fees	62.01	
(ii) Employee benefit expenses	55.19	
(iii) Depreciation & amortisation	0.37	
(iv) Misc. Expenses	21.65	139.22
Capitalised during the year		-
As at 31.03.2022		**146.40**

5 Non-current investments

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Other investments		
a) Fair value through other comprehensive income		
Investment in equity shares (Unquoted)		
8,500 (previous year- 8,500) equity shares of ₹10 each fully paid up in 'Dwarikesh Informatics Limited'	10.87	12.24
9,600 (previous year - 9,600) equity shares of ₹10 each fully paid up in 'Faridpur Sugars Limited'	1.03	1.02
b) At cost		
Investments in preference shares (Unquoted)		
20,000 (previous year - 20,000) 8.50% non-cumulative redeemable preference shares of ₹100 each fully paid up in 'Dwarikesh Informatics Limited' redeemable on December 29,2041.	20.00	-
Total non-current investments	**31.90**	**13.26**
Aggregate amount of unquoted investments	31.90	13.26
Aggregate provision for impairment in the value of investments	-	-

6 Other non-current financial assets

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good:		
i) Fixed deposit (Including interest accrued		
₹8.28 lakhs (previous year ₹5.34 lakhs)*"	98.10	75.67
ii) Others:		
(a) Considered good	1.00	1.00
(b) Security deposits	54.41	50.45
Total other non-current financial assets	**153.51**	**127.12**

* Held as margin money with government departments and others.

7 Net deferred tax asset /(liabilities)

(₹ in lakhs)

	Year ended March 31, 2022				Year ended March 31, 2021			
	As at April 01, 2021	Recognised in Profit & Loss	Recognised in OCI	As at March 31, 2022	As at April 01, 2020	Recognised in Profit & Loss	Recognised in OCI	As at March 31, 2021
Deferred tax assets								
Disallowances under section 43B								
i) Bonus	22.23	17.60	-	39.83	25.19	(2.96)	-	22.23
ii) Gratuity	692.03	69.34	(19.92)	741.45	621.74	64.37	5.92	692.03
iii) Leave encashment	202.76	(11.70)	-	191.06	144.43	58.33	-	202.76
iv) Interest subvention	-	-	-	-	22.33	(22.33)	-	-
v) Provision for doubtful advance	-	0.84	-	0.84	-	-	-	-
Indexation of land (note 1)	1,972.56	114.98	-	2,087.54	1,886.33	86.23	-	1,972.56
MAT credit entitlement	8,328.34	(2,900.26)	-	5,428.08	8,444.81	(116.47)	-	8,328.34
Total deferred tax assets	**11,217.92**	**(2,709.20)**	**(19.92)**	**8,488.80**	**11,144.83**	**67.17**	**5.92**	**11,217.92**
Deferred tax liabilities								
Change in WDV of property, plant and equipment	6,239.36	(214.62)	-	6,024.74	5,456.87	782.49	-	6,239.36
Cash flow hedge reserve	-	-	-	-	(202.62)	-	202.62	-
Fair value of investment (note 2)	1.20	-	(0.14)	1.06	1.16	-	0.04	1.20
Total deferred tax liabilities	**6,240.56**	**(214.62)**	**(0.14)**	**6,025.80**	**5,255.41**	**782.49**	**202.66**	**6,240.56**
Net deferred tax assets/ (liabilities)	**4,977.36**	**(2,494.58)**	**(19.78)**	**2,463.00**	**5,889.42**	**(715.32)**	**(196.74)**	**4,977.36**

Note: 1) Deferred tax calculated on land @ 23.296%.

2) Deferred tax on investment fair value is calculated @ 10.40%.

8 Income tax assets (net)

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Prepaid Taxes	12,602.54	10,417.56
Provision for taxes	(12,577.07)	(10,391.50)
Net income tax assets	**25.47**	**26.06**

9 Other non-current assets

(₹ In Lakhs)

Unsecured, considered good:		
a) Capital advances	1,139.50	4.92
b) Advances other than capital advances:		
Prepayment charges	111.35	22.65
Advance Lease Rent	0.57	1.10
Balances deposit with government authorities under protest	153.47	30.19
Others	127.91	127.91
Total other non-current assets	**1,532.80**	**186.77**

10 Inventories

(₹ In Lakhs)

(As taken, valued and certified by the Management)		
Valued at or below cost: (Refer note. G of note no. 2)		
a) Raw materials	135.90	60.10
b) Work-in-progress (Refer note c of note no. 45)	813.39	592.67
c) Finished goods (Refer note c of note no. 45)	71,001.08	81,498.72
d) Stores and spares	3,503.86	3,127.58
e) Chemicals	176.37	108.91
f) Packing material	139.15	142.65
Total inventories	**75,769.75**	**85,530.63**

Note: 1st pari-passu charge by way of pledge of stock of sugar and by way of hypothecation of stock of molasses, industrial alcohol, chemicals, stores & spares.

11 Current investments

(₹ In Lakhs)

At cost		
Investments in preference shares (Unquoted)		
20,000 (previous year - 20,000) 10% non-cumulative redeemable preference shares of ₹100 each fully paid up in 'Dwarikesh Informatics Limited' redeemed on December 30, 2021.	-	20.00
	-	20.00

12 Trade receivables

(₹ In Lakhs)

unsecured, considered good:	3,453.24	6,786.63
Includes unbilled revenue of ₹860.86 Lakhs (previous year ₹834.81 Lakhs)		
Credit impaired	2.41	-
Impairment allowance (allowances for bad and doubtful receivables)	(2.41)	-
Total trade receivables	3,453.24	6,786.63

12 Trade receivables (contd.)

Trade receivables ageing Schedule: (₹ In Lakhs)

Particulars	Unbilled Revenue *	Not Due	Amount Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months to 1 year	1 year to 2 year	2 year to 3 year	More than 3 years	
As at March 31, 2022								
Undisputed Trade receivables								
(i) Considered good	860.86	2,095.07	497.31	-	-	-	-	3,453.24
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	2.41	2.41
Disputed Trade Receivables								
(i) Considered good	-	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-	-
As at March 31, 2021								
Undisputed Trade receivables								
(i) Considered good	834.81	2,815.98	3,113.88	19.55	-	-	2.41	6,786.63
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables	-	-	-	-	-	-	-	-
(i) Considered good	-	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-	-

* Represents bills for the month of March 2022 which were subsequently billed in the following month.

13 Cash and cash equivalents

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Balance with banks	9.45	6.03
Cash on hand	13.81	8.79
Total cash and cash equivalents	**23.26**	**14.82**

14 Bank balances other than cash and cash equivalents

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
i) Fixed deposit (Including interest accrued ₹0.22 lakhs (previous year ₹0.01 lakhs)*	4.63	0.20
ii) Earmarked balance for unpaid dividend	30.65	22.79
iii) Earmarked balance for interim dividend F.Y. 2021-22	3,766.03	-
iv) Earmarked balance in current account (as per Uttar Pradesh State Molasses Control Rules, 1974)	30.69	79.81
Total bank balances other than cash and cash equivalents	**3,832.00**	**102.80**

* Held as margin money with government departments and others.

15 Current - loans

(₹ In Lakhs)

unsecured, considered good:		
Advances other than capital advances:		
Advance Lease Rent	0.82	2.85
Other loans (incl. advances to employees)	29.09	11.82
Total current loans	**29.91**	**14.67**

16 Other financial assets

(₹ In Lakhs)

unsecured, considered good:		
Income receivable and others		
Rent receivable	2.68	3.38
Interests subvention receivable from Government	112.16	97.29
Security deposit	0.43	-
Total other financial assets	**115.27**	**100.67**

17 Other current assets

(₹ In Lakhs)

unsecured, considered good:		
Prepayment charges	336.00	321.52
Balance with government authorities	1,114.82	14.06
Advances given to suppliers	12.48	63.16
Claim receivable from Government	-	5,198.93
Total other current assets	**1,463.30**	**5,597.67**

18 Equity share capital

(₹ In Lakhs)

Authorised:		
22,50,00,000 (previous year- 22,50,00,000) equity shares of ₹1 each	2,250.00	2,250.00
Issued, Subscribed and Fully paid up:		
18,83,01,470 (previous year - 18,83,01,470) equity shares of ₹1 each paid up	1,883.01	1,883.01
Total share capital	**1,883.01**	**1,883.01**

Total authorised share capital of company with Registrar of Companies is ₹5,400 lakhs. Out of which ₹3,150 lakhs is related to preference share.

18 Equity share capital (contd.)

A. Reconciliation of shares outstanding at the beginning and at the end of the reporting year is set out below:

(₹ In Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares:-				
At the beginning of the year	22,50,00,000	2,250.00	22,50,00,000	2,250.00
Change during the year	-	-	-	-
Outstanding at the end of the year	**22,50,00,000**	**2,250.00**	**22,50,00,000**	**2,250.00**
Issued, Subscribed and Fully paid up:				
Equity shares:-				
At the beginning of the year face value ₹1 (previous year ₹1)	18,83,01,470	1,883.01	18,83,01,470	1,883.01
Change during the year	-	-	-	-
Outstanding at the end of the year face value ₹1	**18,83,01,470**	**1,883.01**	**18,83,01,470**	**1,883.01**

B. Details of shares held by promoters at the end of the year:

Promoter Name	No. of Shares	% Holding	% change during the year
As at 01.04.2020			
G. R. Morarka	2,85,66,590	15.17%	-
G. R. Morarka HUF	63,000	0.03%	-
Pranay G. Morarka	12,49,710	0.66%	-
Priyanka G. Morarka	5,12,360	0.27%	-
Smriti G. Morarka	10,01,780	0.53%	-
Dwarikesh Trading Company Limited	2,62,48,890	13.94%	-
Morarka Finance Limited	2,15,91,180	11.47%	-
Change during the year	**-**	**-**	**-**
As at 31.03.2021			
G. R. Morarka	2,85,66,590	15.17%	-
G. R. Morarka HUF	63,000	0.03%	-
Pranay G. Morarka	12,49,710	0.66%	-
Priyanka G. Morarka	5,12,360	0.27%	-
Smriti G. Morarka	10,01,780	0.53%	-
Dwarikesh Trading Company Limited	2,62,48,890	13.94%	-
Morarka Finance Limited	2,15,91,180	11.47%	-
Change during the year	**-**	**-**	**-**
G. R. Morarka	1,000	-	-
Morarka Investments Private Limited	28,000	-	0.01%

18 Equity share capital

B. Details of shares held by promoters at the end of the year: (contd.)

Promoter Name	No. of Shares	% Holding	% change during the year
As at 31.03.2022			
G. R. Morarka	2,85,67,590	15.17%	-
G. R. Morarka HUF	63,000	0.03%	-
Pranay G. Morarka	12,49,710	0.66%	-
Priyanka G. Morarka	5,12,360	0.27%	-
Smriti G. Morarka	10,01,780	0.53%	-
Dwarikesh Trading Company Limited	2,62,48,890	13.94%	-
Morarka Finance Limited	2,15,91,180	11.47%	-
Morarka Investments Private Limited	28,000	0.01%	-

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Equity shares:-				
Dwarikesh Trading Company Limited	2,62,48,890	13.94%	2,62,48,890	13.94%
Morarka Finance Limited	2,15,91,180	11.47%	2,15,91,180	11.47%
G. R. Morarka	2,85,67,590	15.17%	2,85,66,590	15.17%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. Rights & restrictions attached to equity shares:

The Company has one class of equity shares having a face value of ₹1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, If any is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

E. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.-Nil

19 Other equity

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
a) Capital reserve		
Opening balance	59.87	59.87
Changes during the year	-	-
Closing balance	59.87	59.87
b) Securities premium		
Opening balance	14,688.11	14,688.11
Changes during the year	-	-
Closing balance	14,688.11	14,688.11

19 Other equity (contd.)

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
c) Retained earnings		
Opening balance	37,404.29	29,750.46
Add: Net profit for the year	15,521.55	9,153.83
Less: appropriations		
Transfer to capital redemption reserve	-	1,500.00
Dividend paid*	6,119.80	-
Closing balance	46,806.04	37,404.29
d) Capital redemption reserve		
Opening balance	3,862.00	2,362.00
Changes during the year	-	1,500.00
Closing balance	3,862.00	3,862.00
e) General reserve	-	
Opening balance	127.57	127.57
Changes during the year	-	-
Closing balance	127.57	127.57
e) Other Comprehensive Income/(loss)		
(i) Cash flow hedging reserves		
Opening balance	-	(377.23)
Changes during the year	-	377.23
Closing balance	-	-
(ii) Other items of other comprehensive income/(loss)		
Opening balance	(133.74)	(123.02)
Changes during the year	35.86	(10.72)
Closing balance	(97.88)	(133.74)
Total other equity	**65,445.71**	**56,008.10**

* Dividend includes interim dividend for FY 2021-22 @ ₹2/- per share amounting to ₹3,766.03 Lakhs and final dividend for FY 2020-21 @ ₹1.25 per share amounting to ₹2,353.77 Lakhs

20 Long-term borrowings (Note. 44)

(₹ In Lakhs)

Secured		
Term loans*		
From banks	20,212.54	14,817.60
Less : Ind AS adjustment	(120.26)	(142.49)
	20,092.28	14,675.11
Lease Liabilities	80.61	109.60
Total long term borrowings	**20,172.89**	**14,784.71**

* Term loan raised during the year have been used for the same purpose for it was drawn.

21 Provisions (non-current)

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Gratuity	1,848.84	1,798.49
Leave encashment	379.03	383.43
Total provisions (non-current)	**2,227.87**	**2,181.92**

22 Other non-current liabilities

(₹ In Lakhs)

Government grant	63.39	113.28
Total other non-current liabilities	**63.39**	**113.28**

23 Short term borrowings (note 44)

(₹ In Lakhs)

Secured		
Loan payable on demand:		
From banks (cash credit)	17,160.27	41,002.35
Current maturities of long term debts		
Term loans	5,027.20	5,027.20
Less: Ind AS adjustment	(141.47)	(275.26)
	4,885.73	4,751.94
Commercial Paper	9,930.52	-
Lease Liabilities	126.78	142.07
Total short term borrowings	**32,103.30**	**45,896.36**

24 Trade payables

(₹ In Lakhs)

a) Micro and small enterprises* (note 47)	160.57	148.80
b) Others	9,473.15	18,609.22
Total trade payables	**9,633.72**	**18,758.02**

* There are no outstanding amounts payable beyond the agreed period to Micro and Small enterprises as required by MSMED Act, 2006 as on the Balance Sheet date to the extent such enterprises have been identified based on information available with the Company . In view of this there is no overdue interest payable.

Trade payables ageing Schedule:

(₹ In Lakhs)

Particulars	Unbilled dues	Not due	Amount Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 year to 2 year	2 years to 3 years	More than 3 years	
As at March 31, 2022							
Undisputed Dues							
(i) MSME	-	160.57	-	-	-	-	160.57
(ii) Others	124.47	492.33	8,835.46	4.62	7.75	8.52	9,473.15
Disputed Dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**124.47**	**652.90**	**8,835.46**	**4.62**	**7.75**	**8.52**	**9,633.72**

24 Trade payables

Trade payables ageing Schedule: (contd.) (₹ In Lakhs)

Particulars	Unbilled dues	Not due	Amount Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 year to 2 year	2 years to 3 years	More than 3 years	
As at March 31, 2021							
Undisputed Dues							
(i) MSME	-	148.80	-	-	-	-	148.80
(ii) Others	39.73	382.47	18,161.21	9.08	4.71	12.02	18,609.22
Disputed Dues	-	-	-	-	-	-	-
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**39.73**	**531.27**	**18,161.21**	**9.08**	**4.71**	**12.02**	**18,758.02**

25 Other current financial liabilities

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
a) Government grant	125.57	266.02
b) Interest accrued but not due on borrowings	138.28	108.86
c) Unpaid dividend*	30.65	22.79
d) Interim Dividend payable for F.Y. 2021-22	3,766.03	-
e) Other payables		
Salary & wages payable	692.07	618.19
Remuneration-due to directors	523.45	391.98
Capital supplier payable	1,303.21	35.43
Security/Retention money payable	1,943.62	1,709.78
Others	326.53	320.97
{Including amount payable to related parties of ₹ Nil (previous year- ₹7.28 lakh)}		
Total other current financial liabilities	**8,849.41**	**3,474.02**

* There are no amounts outstanding in respect of unpaid dividend for more than seven years to be transferred to Investor Education and Protection Fund.

26 Other current liabilities

(₹ In Lakhs)

a) Advance from customer and others	51.83	120.05
{Including amount payable to related parties of ₹0.40 lakhs (previous year ₹0.40 lakhs)}		
b) Security deposit	-	0.35
c) Other payables		
Statutory dues payable	257.19	276.57
(Including TDS, PF and GST)		
Total other current liabilities	**309.02**	**396.97**

27 Short term provisions

(₹ In Lakhs)

	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Gratuity	272.99	181.90
Leave encashment	167.74	196.83
Total short term provisions	**440.73**	**378.73**

28 Income tax liabilities (net)

(₹ In Lakhs)

Other provisions		
Provision for taxes	3,955.09	2,185.63
Prepaid taxes	(3,130.54)	(1,516.81)
Net income tax Liabilities	**824.55**	**668.82**

29 Revenue from operations

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
(Refer note c of note no. 45 & 55)		
a) Sale of products	1,97,259.74	1,70,653.32
b) Other operating revenues	146.40	13,231.33
Total revenue from operations	**1,97,406.14**	**1,83,884.65**

30 Other income

(₹ In Lakhs)

a) Interest income		
on deposits with banks	53.01	5.86
on income tax refunds	-	157.62
on financial assets carried at amortised cost	193.22	319.34
b) Rent (including lease rent)	6.38	1.01
c) Other	63.84	225.76
Total other income	**316.45**	**709.59**

31 Cost of materials consumed

(₹ In Lakhs)

a) Raw material consumed		
Sugar cane		
Opening stock	60.10	23.52
Add: purchases	1,33,767.53	1,33,772.31
Less: closing stock	135.90	60.10
	1,33,691.73	**1,33,735.73**
b) Other materials consumed		
i) Chemicals		
Opening stock	108.91	93.72
Add: purchases	1,988.68	1,415.96
Less: closing stock	176.37	108.91
	1,921.22	**1,400.77**

31 Cost of materials consumed (contd.)

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
ii) Packing Material consumed		
Opening stock	142.65	107.55
Add: purchases	1,632.59	1,561.32
Less: closing stock	139.15	142.65
	1,636.09	**1,526.22**
Total cost of materials consumed	**1,37,249.04**	**1,36,662.72**

32 (Increase)/decrease in stocks

(₹ In Lakhs)

(Refer note c of note no. 45)		
Closing stock		
Finished goods	71,001.08	81,498.72
Work in progress	813.39	592.67
	71,814.47	**82,091.39**
Opening stock		
Finished goods	81,498.72	87,822.19
Work in progress	592.67	712.87
	82,091.39	**88,535.06**
Net (increase)/decrease in stock	10,276.92	6,443.67
Total (increase)/decrease in stocks	**10,276.92**	**6,443.67**

33 Employee benefit expenses

(₹ In Lakhs)

a) Salary, wages, bonus and other payments	8,951.35	8,573.92
b) Contribution to provident and other funds	541.81	543.03
c) Staff welfare expenses	136.34	157.72
Total employee benefit expenses	**9,629.50**	**9,274.67**

34 Finance costs

(₹ In Lakhs)

a) Interest expense		
i) Interest on fixed loans :		
Term loans*	889.32	1,206.04
Others	22.62	-
	911.94	1,206.04
ii) Interest on cash credit and others (Nil towards interest reimbursed/ to be reimbursed on buffer stock by the Central Government, previous year ₹403.61 lakhs)	1,668.75	2,833.09
iii) Interest on delayed payment of direct taxes	103.69	73.11
iv) Unwinding of discount (Increase in financial liabilities)	199.58	325.91
v) Financial Interest on lease liability	22.89	25.67
vi) Net interest on defined benefit liability	129.43	119.29
b) Dividend on redeemable preference share	-	41.75
c) Other borrowing costs**	129.49	140.52
Total finance costs	**3,165.77**	**4,765.38**

*Interest expenses are net off interest capitalised of ₹62.01 lakhs (previous year ₹ Nil)
**Mainly consist of loan processing facilities from banks.

35 Depreciation and amortisation expenses

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
a) Depreciation		
Depreciation of property, plant & equipments	4,133.44	3,929.61
Obsolescence	40.86	4.16
	4,174.30	3,933.77
b) Amortization		
Amortization of intangible assets	34.22	-
Amortization on Right-of-Use Assets	154.40	155.63
	188.62	155.63
Total depreciation and amortization expenses	**4,362.92**	**4,089.40**

36 Other expenses

(₹ In Lakhs)

Power & Fuel	53.34	27.23
(Net of ₹36.76 Lakhs power banked previous year ₹68.47 Lakhs)		
Other manufacturing expenses	1,781.76	1,699.24
Repairs to buildings	554.18	369.46
Repairs to machinery	3,952.10	3,061.25
Repairs & maintenance - others	139.17	141.55
Insurance	260.99	220.92
Rates and taxes	71.67	64.30
Travelling & conveyance	182.37	133.71
Sugar sales promotion expenses	465.41	350.82
Freight and forwarding (net of recovery from customers/Govt. assistance) (note no 54)	1,801.71	3,879.94
Donations & charity*	9.04	181.97
Payment to political party	200.00	-
Loss on foreign exchange fluctuations (net)	-	62.61
Loss on sale of property, plant and equipment (net)	6.02	10.08
Payment to the auditors [note 45 (a)]	25.71	25.79
CSR expenses [note 45 (b)]	298.70	73.20
Doubtful Advance	2.41	-
Miscellaneous expenses (Nil towards insurance & storage expense reimbursed/ to be reimbursed on buffer stock by the Central Government, previous year ₹68.86 Lakhs)	1,366.38	1,076.12
Total other expenses	**11,170.96**	**11,378.19**

* Includes CSR expenses of ₹ Nil (previous year ₹136 Lakhs)

37 Tax expenses

(₹ In Lakhs)

Current year	3,851.41	2,112.52
Total tax expenses	**3,851.41**	**2,112.52**

38 Other comprehensive income/(loss)

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Item that will not be reclassified to profit or loss		
Re-measurement of defined benefit plans	57.00	(16.94)
Fair valuation of non current investment	(1.36)	0.34
Income tax relating to items that will not be reclassified to profit or loss	(19.78)	5.88
Item that will be reclassified to profit or loss		
Cash Flow hedging Reserve	-	579.85
Income tax relating to items that will be reclassified to profit or loss	-	(202.62)
Total other comprehensive income/(loss)	**35.86**	**366.51**

39 Contingent liabilities & commitments (to the extent not provided for)

(₹ In Lakhs)

i) Contingent Liabilities: *		
a) Claim against the Company not acknowledged as debts.		
In respect of show cause notices from Central Excise department in various cases against which the Company has preferred appeals [net of amount reversed and payments of ₹37.72 Lakhs (previous period ₹37.72 Lakhs)].	38.62	38.62
In respect of Trade Tax and Entry Tax demand received from Uttar Pradesh Trade Tax authorities in various cases, in respect of which the Company has preferred appeals [net of amount deposited under appeal of ₹ Nil (previous period ₹ 0.23 lakhs)].	-	0.23
b) Guarantees issued by bankers on behalf of the Company	421.29	334.21
c) Other money for which the Company may contingently liable	15.74	15.74
ii) Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for net of advance of ₹1139.50 (previous year ₹4.92)	4,139.35	12.38
b) Balance of Investment committed	-	-
c) Other commitments	-	-

* In respect of certain proposed disallowances and additions made by the Income Tax Authorities, Appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally settled.

40 Allahabad High Court in the case of PIL Rashtriya Kisan Mazdoor Sangathan VS State of U.P. passed a final order on March 09, 2017 directing the Cane Commissioner to decide afresh the issue as to whether the Sugar Mills are entitled for waiver of interest on the delayed payment of the price of sugarcane for the seasons 2012-13, 2013-14 and 2014-15 under the provisions of Section 17(3) of the U.P. Sugarcane (Regulations of Supply and Purchase) Act, 1953 (in short 'the Act'). Thereafter in an CAPL (contempt application) No. 2815/2018 titled 'V.M. Singh versus Shri Sanjay Bhoosereddy' in the Hon'ble Allahabad High Court and its follow-on proceedings, the Cane Commissioner is understood to have filed an affidavit specifying interest rates on delayed cane price payments but no such order of the Cane Commissioner has been served on the Company or industry association. Subsequently State Government has filed modification application before and Mr. V. M. Singh has also filed SLP with the Supreme Court in this matter and pending disposal of the same the High Court has deferred the hearing of contempt petition. The matter is still pending before the Supreme Court for adjudication. Based on the legal review of the facts of this case, possibility of liability crystalizing is remote and hence no provision is considered necessary.

41 Cane societies were in dispute with the State Government of Uttar Pradesh with regard to retrospective partial waiver of society commission payable by the sugar mills for the crushing seasons 2012-13,2014-15 and 2015-16 as a part of its relief package to sugar industry . Hon'ble Allahabad High Court held that concessional rate of society commission fixed by the U.P. Government cannot have retrospective operations and shall be applicable prospectively from the date of the notification. Against the said judgment, the U.P. Sugar Mill Association filed SLP (C) No 032225-032227/2018 . Hon'ble Supreme Court, vide order dated 03.12.2018, issued notice and directed that no coercive steps shall be taken against the petitioners. The matter is pending for further adjudication. Based on the legal advice, no liability is likely to crystalize on the Company in this matter.

42 The Uttar Pradesh Sheera Niyantran (Dwitiya Sanshodhan) Adhiniyam, 2021 (U.P. Act No. 35 of 2021) Notified vide Gazette Notification dated 24.12.2021 levying "Regulatory Fees" @ ₹20 per quintal on any sale, transfer or supply of molasses from sugar factory. The said levy & realization of regulatory fee has been stayed by an interim order passed by Honorable High Court of Lucknow pursuant to the writ filed by Industry Association. Pending disposal of the writ the same has not been booked as expense and an amount of ₹135.68 lakhs, being the amount paid under protest is carried as an asset, as no liability is expected to arise on this score.

43 Leases

Operating lease - Company as lessee

Obligation on long – term, non – cancellable operating leases:

The lease rentals charged during the period and the obligation on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Lease rentals recognized during the year	180.68	179.49
The future minimum non-cancellable operating lease payable are as follows:		
Not later than one year	183.14	158.16
Later than one year and not later than five years	441.18	116.17
Later than five years	-	-

General description of lease terms:

a) The operating lease arrangement are renewable on a periodic basis and for most of the leases extend up to a maximum of 6 years from their respective dates of inception and rented premises.

b) These lease agreements have price escalation clause of 15% after three years from the inception of the lease agreement.

44 Securities for Borrowings

Abbreviations:

DN - Dwarikesh Nagar Unit
DP- Dwarikesh Puram Unit
DD - Dwarikesh Dham Unit
ROI- Rate of interest
PNB- Punjab National Bank
O/S- Amount outstanding
Qtly.- Quarterly

44 Securities for Borrowings (contd.)

Bank/FI, amount sanctioned and outstanding as on reporting Date	Current (₹ in Lakhs)	Non-Current (₹ in Lakhs)	Security	Repayment Schedule of amount outstanding as on the reporting date and ROI during the current year
i) Long Term Borrowings - Secured				
PNB **Sanctioned - ₹13,448 Lakhs** **O/S - ₹6,051.60 Lakhs** (₹8,741.20 Lakhs)	2,689.60 (2,689.60)	3,362.00 (6,051.60)	Pari-passu charge on fixed assets: Ist on DN,DP & DD	ROI - 5% - 27 monthly installments of ₹224.13 lakhs each payable in April, 22 and onwards.
PNB **Sanctioned - ₹11,688 Lakhs** **O/S - ₹8,766.00 Lakhs** (₹11,103.60 Lakhs)	2,337.60 (2,337.60)	6,428.40 (8,766.00)	Pari-passu charge on fixed assets: Ist on DN	ROI - 7.50% to 7.95% - 15 qtly installments of ₹584.40 lakhs each payable from June, 22 and onwards.
PNB **Sanctioned - ₹18,560 Lakhs** **O/S - ₹10,422.14 Lakhs** (under disbursal) (Nil)	- -	10,422.14 -	Pari-passu charge on fixed assets: Ist on DD	ROI - 7.55% to 7.95% - 20 qtly installments of ₹928 lakhs each payable from Dec, 23 and onwards.
Total term loans from Banks **O/S - ₹25,239.74 Lakhs** (₹ 19,844.80 Lakhs)	**5,027.20** (5,027.20)	**20,212.54** (14,817.60)		
ii) Short Term Borrowings:				
Cash Credit				
PNB - (including commercial paper) Sanctioned - ₹29,400 Lakhs	10,153.01 (41,002.35)	- -	-1st pari-passu charge by way of pledge of stock of sugar and by way of hypothecation of stock of molasses, industrial alcohol, chemicals, stores & spares. - 2nd Pari-passu charge on fixed assets of all three units of the Company	-ROI- 4.25% to 7.95% per annum
PNB - WCDL Sanctioned - ₹44,100 Lakhs	16,937.79 -	- -		-ROI- 7.50% per annum
b. Loans and advances from related parties	- -	- -	Unsecured	
Total short term borrowings	**27,090.80** (41,002.35)	**-** -		

Term Loans and cash credit from banks aggregating to ₹46,278.94 Lakhs (previous year - ₹52,105.95 Lakhs) are personally guaranteed by the Executive Chairman of the Company out of which the Company has given Counter guarantees of ₹35,856.80 Lakhs (previous year - ₹52,105.95 Lakhs) to him to secure all these personal guarantees.

Note: Figures in the brackets are for the previous year.

44 Securities for Borrowings (contd.)

The difference between the value as per books of accounts and as per quarterly statement submitted with lenders are given below:

(₹ In Lakhs)

Quarter ending	Value as per books of accounts	Value as per quarterly statement submitted with lenders	Difference	Reasons for difference
June 30, 2021	90,523.93	80,131.76	10,392.17	The differences are because, the statements filed with the lenders are based on financial statements prepared on provisional basis and also because of exclusion of certain current assets in the statements filed with the lenders.
September 30, 2021	50,504.37	42,206.85	8,297.52	
December 31, 2021	49,187.56	39,708.63	9,478.93	
March 31, 2022	84,686.73	71,710.42	12,976.31	
June 30, 2020	1,08,324.60	86,887.77	21,436.83	The differences are because, the statements filed with the lenders are based on financial statements prepared on provisional basis and also because of exclusion of certain current assets in the statements filed with the lenders.
September 30, 2020	76,108.21	54,443.56	21,664.65	
December 31, 2020	83,969.65	65,217.67	18,751.98	
March 31, 2021	98,167.89	82,365.87	15,802.02	

45 Other disclosures :

a) Auditors remuneration

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Statutory auditors		
i) Audit fee (including limited review fee)	21.25	21.25
ii) Tax audit fee	2.75	2.75
iii) Certification/other services	1.50	1.78
iv) Out of pocket Expenses	0.21	0.01
Total	**25.71**	**25.79**

b) Expenditure incurred on corporate social responsibilities (CSR)

Details of expenditure on corporate social responsibility activities as per Section 135 of Companies Act , 2013 read with schedule III are as below:

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
1. Gross amount required to be spent by the Company during the year	216.12	203.20
Total (A)	**216.12**	**203.20**
2. Amount spent during the year		
For promoting education (clause (ii) of schedule vii)	221.65	93.32

45 Other disclosures : (contd.)

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Preventive health care, sanitation and supply of oxygen plants (clause (i) of schedule vii)	76.50	60.80
Plantation work (clause (iv) of schedule vii)	0.55	4.08
Contribution to the prime minister's national relief fund (clause (viii) of schedule vii)	-	51.00
Total (B)	**298.70**	**209.20**
Balance carried forward	82.58	6.00

Note:

(i) ₹221.65 lakhs (previous year ₹93.32 lakhs) on construction of assets and other activities is made through R R Morarka charitable trust and ₹ Nil (previous year ₹25 Lakhs) on other activities is made through Manotsav foundation.

(ii) Provision made for CSR:

(₹ In Lakhs)

Opening provision	-	-
Change during the year	-	-
Closing balance of provision	-	-

c) Particulars of revenue from operations & inventory

Revenue from operations:

(₹ In Lakhs)

i) Sugar	1,55,922.11	1,45,623.76
ii) Molasses	1,097.94	1,987.58
iii) Power	5,057.12	5,221.25
iv) Industrial alcohol		
- Spirit	-	321.00
- Ethanol	32,458.19	15,599.82
- Sanitizer	70.14	104.75
v) Miscellaneous/other residual sale	2,654.24	1,795.16
vi) Other operating revenue		
- Export Assistance	-	13,176.78
- Others	146.40	54.55
Total revenue from operations	**1,97,406.14**	**1,83,884.65**

45 Other disclosures : (contd.)

Inventory:
Finished goods
Opening stock

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
i) Sugar	77,156.02	85,682.05
ii) Molasses	4,147.41	1,679.94
iii) Industrial alcohol		
- Spirit	2.58	-
- Ethanol	187.09	460.20
- sanitizer	5.62	-
Total	**81,498.72**	**87,822.19**

Closing stock

(₹ In Lakhs)

i) Sugar	62,821.20	77,156.02
ii) Molasses	8,115.74	4,147.41
iii) Industrial alcohol		
- Spirit	-	2.58
- Ethanol	62.74	187.09
- sanitizer	1.40	5.62
Total	**71,001.08**	**81,498.72**

Work in progress
Opening stock

(₹ In Lakhs)

i) Sugar	448.04	614.89
ii) Molasses	104.31	47.86
iii) Industrial alcohol	40.32	50.12
Total	**592.67**	**712.87**

Closing stock

(₹ In Lakhs)

i) Sugar	496.85	448.04
ii) Molasses	206.36	104.31
iii) Industrial alcohol	110.18	40.32
Total	**813.39**	**592.67**

Raw materials, chemicals and packing material consumed

(₹ In Lakhs)

Sugar cane	1,33,691.73	1,33,735.73
Chemicals	1,921.22	1,400.77
Packing material	1,636.09	1,526.22
Total	**1,37,249.04**	**1,36,662.72**
Indigenous (100%)	1,37,249.04	1,36,662.72
Imported (0%)	-	-
Total	**1,37,249.04**	**1,36,662.72**
CIF value of imports	Nil	Nil

45 Other disclosures : (contd.)

d) Transactions in foreign currency

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
i. Expenditure in foreign currency (on accrual basis)		
Bank Charges on foreign remittances	-	0.71
Computer software purchase	0.93	0.37
Legal Fees	-	-
Total	**0.93**	**1.08**
ii. Earnings in foreign currency		
FOB value of export sales	-	11,080.40
Other Income	-	37.05
Total	**-**	**11,117.45**

46 Earning per share:

(₹ In Lakhs)

Net Profit for the year from continuing operations	15,521.55	9,153.83
Profit attributable to equity share holders	15,521.55	9,153.83
Equity shares outstanding during the year (weighted average in numbers)	18,83,01,470	18,83,01,470
Face value of equity shares (₹)	1	1
Earning per share (₹)		
Basic	8.24	4.86
Diluted	8.24	4.86

47 The micro, small and medium enterprises development (msmed) act, 2006

Based on the information so far obtained by the Company, payment to enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been made within 45 days or contract terms whichever is lower and disclosure in accordance with section 22 of the MSMED Act is as under:

(₹ In Lakhs)

a) Principal amount and Interest due thereon remaining unpaid to any supplier at the end of accounting year.	160.57	148.80
b) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
d) The amount of interest accrued and remaining unpaid.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

48 Segment information for the year ended March 31, 2022 prepared under Ind AS 108

(i) Information about primary business segment

(₹ In Lakhs)

	Sugar	Co-generation	Distillery	Adjustment	Total
Revenue					
External revenue	**1,59,624.11**	**5,161.36**	**32,620.67**		**1,97,406.14**
	(1,62,583.59)	(5,233.92)	(16,067.14)		(1,83,884.65)
Internal revenue	**30,968.30**	**25,208.70**	**-**	**(56,177.00)**	**-**
	(24,808.04)	(25,846.58)	-	(50,654.62)	-
Total income from operations	**1,90,592.41**	**30,370.06**	**32,620.67**	**(56,177.00)**	**1,97,406.14**
	(1,87,391.63)	(31,080.50)	(16,067.14)	(50,654.62)	(1,83,884.65)
Results					
Segment results	**4,538.89**	**8,958.84**	**11,535.52**		**25,033.25**
	(2,612.01)	(8,847.55)	(5,286.03)		(16,745.59)
Less: unallocated expenditure (net of income)					
Interest					**3,165.77**
					(4,765.38)
Profit/(loss) before exceptional item and tax					**21,867.48**
					(11,980.21)
Exceptional item					**-**
					-
Profit/(loss) before tax					**21,867.48**
					(11,980.21)
Tax expense					**6,345.93**
					(2,826.38)
Net Profit/(loss) for the period after tax					**15,521.55**
					(9,153.83)
Other information					
Segment assets	**97,860.37**	**15,569.25**	**26,003.61**		**1,39,433.23**
	(1,08,130.46)	(16,027.31)	(15,369.49)		(1,39,527.26)
Unallocable corporate assets					**2,520.37**
					(5,016.68)
Total assets					**1,41,953.60**
					(1,44,543.94)
Segment liabilities	**54,547.11**	**6,050.72**	**12,679.05**		**73,276.88**
	(74,346.68)	(4,537.47)	(6,707.88)		(85,592.03)
Unallocable corporate liabilities					**1,348.00**
					(1,060.80)
Total liabilities					**74,624.88**
					(86,652.83)
Capital expenditure	**1,761.44**	**71.78**	**254.33**		**2,087.55**
	(707.96)	(50.77)	(1,243.74)		(2,002.47)
Depreciation/obsolescence	**2,148.98**	**1,632.61**	**581.33**		**4,362.92**
	(1,979.08)	(1,571.49)	(538.83)		(4,089.40)

Revenue in respect of captive power produced from co generation plant has been arrived at based on the industrial rates at which power is supplied by State Electricity Board.

48 Segment information for the year ended March 31, 2022 prepared under Ind AS 108 (contd.)

(ii) Geographical Location

The geographical segments have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and overseas segment includes sales to customer located outside India.

(₹ In Lakhs)

Particulars	March 31, 2022	March 31, 2021
Revenue from operation		
Domestic	1,88,781.14	1,44,740.30
Overseas (including merchant export of ₹8,625.00 (previous year ₹28,445.53)	8,625.00	39,144.35
Total	**1,97,406.14**	**1,83,884.65**

Note: There are no non-current assets located outside India.

(iii) Significant clients (₹ In Lakhs)

Louis Dreyfus Company India Pvt. Ltd.	-	25,696.47
Total	**-**	**25,696.47**

49 Employee benefits:

(a) The Company has made provision for gratuity and leave encashment in the nature of defined benefit obligation on the basis of actuarial valuation as per Ind AS 19. Since the liability has not been funded through a trust or insurer, there are no plan assets.

(b) Defined contribution plans:

Employer's contribution to provident fund ₹541.81 Lakhs (previous period ₹543.03 Lakhs).

Defined benefits obligations:

Liability for gratuity is determined on actuarial basis using projected unit credit method. The details are as under:

(₹ In Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Opening defined benefit obligation	1,980.39	1,779.23
Current service cost	148.70	148.06
Interest cost	129.43	119.29
Actuarial loss/ (gain)	(57.00)	16.94
Past service cost	-	-
Benefit paid	(79.69)	(83.13)
Closing defined benefit obligation	2,121.83	1,980.39
Change in fair value of assets :		
Contribution by employer	79.69	83.13
Benefit paid	(79.69)	(83.13)
Change in fair value of plan assets	-	-
Expense recognized in Statement of Profit & Loss		
Current service cost	148.70	148.06
Interest cost	129.43	119.29
Net actuarial losses / (gain)	(57.00)	16.94
Past service cost	-	-
Expense recognized in Statement of Profit & Loss	221.13	284.29
Financial Assumptions at the valuation date		
Discount rate	7.10%	6.85%
Expected rate of return on assets (p.a.)	---	---
Salary escalation	6.00%	6.00%

49 Employee benefits: (contd.)

(c) Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

	Year ended March 31, 2022		Year ended March 31, 2021	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-3.86%	4.02%	-4.14%	4.30%
Impact of decrease in 50 bps on DBO	4.12%	-3.79%	4.43%	-4.08%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Special events:

There are no special events such as benefit improvements or curtailments or settlements during the inter-valuation period.

(d) Social responsibility is a Company's commitment to manage the social, environmental and economic effects of its operations responsibly and in line with public expectations. Dwarikesh Sugar Industries Limited emphasis utmost importance on its social responsibilities towards its stakeholders and makes continuous efforts to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

The Company has adopted various policies such as Corporate Social Responsibility policy, Environment policy, Code of Conduct & Ethics and makes sure that strict adherence is followed for the same.

Various committees have been constituted by the Company for periodical reviews & checks of the line of actions under these policies.

50 Related party disclosures as required by Ind AS 24 for the year ended March 31, 2022 (As certified by the management)

a) Names of the related parties and description of relationship:

i)	**Enterprises over which key management personnel are able to exercise significant influence**	-Morarka Finance Limited
		-Dwarikesh Trading Company Limited
		-Dwarikesh Agriculture Research Institute
		-Dwarikesh Informatics Limited
		-Morarka Investments Private Limited
		-Faridpur Sugars Limited
		-R R Morarka Charitable Trust
		-Manotsav Foundation

50 Related party disclosures as required by Ind AS 24 for the year ended March 31, 2022 (As certified by the management) (contd.)

ii)	**Key management personnel**	-Shri G. R. Morarka	Executive Chairman
		-Shri B. J. Maheshwari	Managing Director & Company Secretary Cum Chief Compliance Officer
		-Shri Vijay S. Banka	Managing Director
		-Shri Alok Lohia	Chief Financial Officer (up to June 29, 2021)
		-Shri Sunil Kumar Goel	Chief Financial Officer (w.e.f. October 25, 2021)
		-Shri B. K. Agarwal	Independent Directors
		-Shri K. N. Prithviraj	Independent Directors
		-Smt. Nina Chatrath	Independent Directors
		-Shri Gopal B. Hosur	Independent Directors
		-Shri Rajan K. Medhekar	Independent Directors
iii)	**Relatives of Key Managerial Personnel** **Shri G. R. Morarka**	-Ms. Priyanka G. Morarka (Daughter)	

b) Details of transactions

Sl. No.	Name of related party	Nature of transaction		Volume of transaction (₹ in Lakhs)	Amount due to (₹ in Lakhs)	Amount due from (₹ in Lakhs)	Investment (₹ in Lakhs)	Loan taken/ (Repaid) (₹ in Lakhs)
1	Dwarikesh Trading Company Ltd.	Rent Received	31.03.22	2.40				
			31.03.21	2.40				
		Rent Paid	31.03.22	80.29				
			31.03.21	80.29				
		Advance Rent	31.03.22		0.40			
			31.03.21		0.40			
		Other Reimbursement	31.03.22	4.47				
			31.03.21	5.52				
		Loan taken	31.03.22					280.00
			31.03.21					-
		Loan repaid	31.03.22					280.00
			31.03.21					-
		Interest Paid	31.03.22	6.27				
			31.03.21	-				
2	Dwarikesh Informatics Ltd.	Services Purchased	31.03.22	80.24	-		30.87	
			31.03.21	42.48	-		32.24	
3	Faridpur Sugars Limited		31.03.22	-			1.03	
			31.03.21	-			1.02	

50 Related party disclosures as required by Ind AS 24 for the year ended March 31, 2022 (As certified by the management) (contd.)

Sl. No.	Name of related party	Nature of transaction		Volume of transaction (₹ in Lakhs)	Amount due to (₹ in Lakhs)	Amount due from (₹ in Lakhs)	Investment (₹ in Lakhs)	Loan taken/ (Repaid) (₹ in Lakhs)
4	Morarka Finance Limited	Rent Paid	31.03.22 31.03.21	18.29 18.29				
		Management Consultancy Paid	31.03.22 31.03.21	46.02 46.02				
		Other Reimbursement	31.03.22 31.03.21	1.56 2.04				
		Loan taken	31.03.22 31.03.21					230.00 -
		Loan repaid	31.03.22 31.03.21					230.00 -
		Interest Paid	31.03.22 31.03.21	5.15 -				
5	R. R. Morarka Charitable Trust	Construction/ Acquisition of assets	31.03.22 31.03.21	221.65 43.32				
		Donation	31.03.22 31.03.21	- 50.00				
6	Manotsav Foundation	Donation	31.03.22 31.03.21	- 25.00				
7	Shri G. R. Morarka	Remuneration	31.03.22 31.03.21	256.95 271.22				
		Commission	31.03.22 31.03.21	500.00 372.66				
		Leave Encashment	31.03.22 31.03.21	5.10 -				
		Loan taken	31.03.22 31.03.21					500.00 -
		Loan repaid	31.03.22 31.03.21					500.00 -
		Interest Paid	31.03.22 31.03.21	11.20 -				
8	Shri B.J. Maheshwari	Remuneration	31.03.22 31.03.21	122.39 114.88				
		Ex-gratia/ Interim Bonus	31.03.22 31.03.21	3.38 5.00				
		Leave Encashment	31.03.22 31.03.21	5.83 -				

50 Related party disclosures as required by Ind AS 24 for the year ended March 31, 2022 (As certified by the management) (contd.)

Sl. No.	Name of related party	Nature of transaction		Volume of transaction (₹ in Lakhs)	Amount due to (₹ in Lakhs)	Amount due from (₹ in Lakhs)	Investment (₹ in Lakhs)	Loan taken/ (Repaid) (₹ in Lakhs)
9	Shri Vijay S. Banka	Remuneration	31.03.22 31.03.21	122.01 114.50				
		Ex-gratia/ Interim Bonus	31.03.22 31.03.21	3.38 5.00				
		Leave Encashment	31.03.22 31.03.21	5.87 -				
10	Ms. Priyanka G. Morarka	Remuneration	31.03.22 31.03.21	43.28 38.92				
		Ex-gratia/ Interim Bonus	31.03.22 31.03.21	2.00 1.70				
		Leave Encashment	31.03.22 31.03.21	0.84 0.27				
11	Shri Alok Lohia	Remuneration	31.03.22 31.03.21	12.16 46.49				
		Gratuity	31.03.22 31.03.21	13.50 -				
		Ex-gratia/ Interim Bonus	31.03.22 31.03.21	- 1.50				
		Leave Encashment	31.03.22 31.03.21	3.90 1.24				
12	Shri Sunil Kumar Goel	Remuneration	31.03.22 31.03.21	18.25 -				
		Ex-gratia/ Interim Bonus	31.03.22 31.03.21	1.22 -				
		Leave Encashment	31.03.22 31.03.21	0.10 -				
13	Shri B. K. Agarwal	Sitting Fees	31.03.22 31.03.21	5.70 3.50				
14	Shri K. N. Prithviraj	Sitting Fees	31.03.22 31.03.21	4.10 3.50				
15	Smt Nina Chatrath	Sitting Fees	31.03.22 31.03.21	4.10 3.20				
16	Shri Gopal B. Hosur	Sitting Fees	31.03.22 31.03.21	4.10 1.40				
17	Rajan K. Medhekar	Sitting Fees	31.03.22 31.03.21	4.10 1.40				

Note:

(i) Remuneration is excluding provision of gratuity and leave encashment, where the actuarial valuation is done on overall company basis.

(ii) Above value includes taxes wherever applicable.

51 Financial instruments

Financial assets (₹ in Lakhs)

Sl. No		Fair value hierarchy	As at March 31, 2022		As at March 31, 2021	
			Carrying amount	Fair value	Carrying amount	Fair value
1	**Financial assets designated at fair value through profit and loss**					
	Investment In preference share (non-cumulative redeemable)	Level-2	20.00	20.00	20.00	20.00
2	**Financial assets designated at fair value through other comprehensive income**					
	Investment In equity share	Level-2	1.81	11.90	1.81	13.26
3	**Financial assets designated at amortised cost**					
	a) Trade receivables		-	-	-	-
	b) Loans					
	Security deposit		54.98	54.41	51.55	50.45
	c) Other non-current financial assets		99.10	99.10	76.67	76.67
			175.89	**185.41**	**150.03**	**160.38**

Financial liabilities (₹ in Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liability designated at amortised cost				
Borrowings	25,239.74	24,978.01	19,844.80	19,427.05
	25,239.74	**24,978.01**	**19,844.80**	**19,427.05**

The following methods and assumptions were used to estimate the fair values.

a) Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

b) Due to short term nature, the carrying amount of current financial assets (excluding investments) and current financial liabilities (excluding current maturities of long term debt) are considered to be the same as of their fair values . Hence, the figures are not shown in the above note.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Valuation of investment has been done on the basis of latest available financials with the Company.

52 Financial risk management objectives and policies

Financial risk factors

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 assets and operations. The Company's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that are derived directly from its operations. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company is in place. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that derivatives whenever used are used exclusively for hedging purposes and not for trading or speculative purposes. The Audit Committee and the Board are regularly apprised of these risks every quarter and each such risk and mitigation measures are extensively discussed and the same are summarized below:

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. One of the market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

A. Credit risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The Company's sugar sales are totally on cash. Power and ethanol are sold to state government entities, thereby the credit default risk is significantly mitigated.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities, short term loans and commercial papers.

(₹ In Lakhs)

	Upto 1 year	More than 1 year	Total
As at March 31, 2022	8,916.98	1,718.21	10,635.19
As at March 31, 2021	12,637.26	327.15	12,964.41

B. Liquidity risk :

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of term loan, liability component of compound financial instruments (preference share) ,cash credit facilities, short term loans and others.

(₹ In Lakhs)

	Payable on demand	Less than 1 year	More than 1 year	Total
As at March 31, 2022				
Borrowings	27,090.79	5,011.30	20,092.28	52,194.37
Other financial Liabilities	-	8,850.62	80.61	8,931.23
Trade and other payables	9,942.74	-	63.39	10,006.13
Total	**37,033.53**	**13,861.92**	**20,236.28**	**71,131.73**
As at March 31, 2021				
Borrowings	41,002.35	5,017.96	14,675.11	60,695.42
Other financial Liabilities	-	3,350.07	109.60	3,459.67
Trade and other payables	19,154.99	-	113.28	19,268.27
Total	**60,157.34**	**8,368.03**	**14,897.99**	**83,423.36**

52 Financial risk management objectives and policies (contd.)

C. Market risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate consequent up on changes in market prices. It mainly comprises of regulatory risk, commodity price risk & interest rate risk, which are discussed herein below:

The Company operates internationally and is transacted in foreign currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas. The Company holds derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table analyses the foreign currency risk from monetary assets and liabilities as at:

(USD In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	-	-

The details in respect of outstanding foreign currency forward contracts are as follows :

Particulars	Amount (USD in Lakhs)	(₹ In Lakhs)	Amount (USD in Lakhs)	(₹ In Lakhs)
	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
Forward Contracts	-	-	-	-

The foreign exchange forward contracts mature within twelve months. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the balance sheet date:

Particulars	Amount (USD in Lakhs)	(₹ In Lakhs)	Amount (USD in Lakhs)	(₹ In Lakhs)
	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
Not Later than one months	-	-	-	-
Later than one month and not later than three months	-	-	-	-
Later than three months and not later than One year	-	-	-	-

There is no balance in cash flow hedge reserve as at March 31, 2022, However, in the previous year, the Company has designated certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for

52 Financial risk management objectives and policies (contd.)

risk management purposes. Any hedge ineffectiveness is calculated and accounted for in the Statement of Profit or Loss at the time of the hedge relationship rebalancing.

The following table provides the reconciliation of cash flow hedge reserve for the year ended: (₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Gain / (Loss)		
Balance at the beginning of the year	-	(377.23)
Gain / (Loss) recognized in other comprehensive income during the period	-	579.85
Tax impact on above	-	(202.62)
Balance at the end of the year	-	-

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

i. Interest rate risk :

Interest rate risk is a risk that the fair value of future cash flows will be impacted because of the changes in the market interest rates. Such risks mainly related to borrowings of the Company with floating interest rates.

(₹ In Lakhs)

	Fixed rate borrowing	Variable rate borrowing	Total borrowing
As at March 31, 2022	6,051.60	46,278.94	52,330.54
As at March 31, 2021	8,741.20	52,105.95	60,847.15

(₹ In Lakhs)

Sensitivity on variable rate borrowings	Impact on statement of profit & loss	
	March 31, 2022	March 31, 2021
Interest rate increase by 0.25%	(115.70)	(130.26)
Interest rate decrease by 0.25%	115.70	130.26

ii. Regulatory risk :

Sugar industry is regulated both by central government as well as state government. Central and State governments policies and regulations affects the Sugar industry and the Company's operations and profitability. Distillery business is also dependent on the Government policy. However, with the removal of major regulatory control on sugar sales by the Central Government, the regulatory risks are moderated but not eliminated.

iii. Commodity price risk:

Sugar prices are market driven and sugar industry being cyclical in nature, realizations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has mitigated this risk by well-integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products. Additionally Government has also fixed a minimum Selling price of sugar below which sugar cannot be sold.

52 Financial risk management objectives and policies (contd.)

iv. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Company's Capital Management is to maximise the shareholder's value. Management also monitors the return on capital. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. However, sugar being a seasonal industry, it is very highly capital and working capital intensive, therefore required to raise need based short term and long term debt for smooth running of the operations.

(₹ In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total debt	52,257.76	60,808.70
Less: cash and cash equivalents & other bank balances	3,855.26	117.62
Net debt	48,402.50	60,691.08
Total equity	67,328.72	57,891.11
Gearing Ratio { net debt / (equity + net debt)}	0.42	0.51

53 Impairment review:

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

54 During the FY 2020-21, under GOI's notification no 1(8)/2019-SP-I dated 31st July, 2019 the Company created buffer stock of 4,47,930 quintal sugar on 1st August 2019 for a period of one year and accounted ₹472.47 Lakhs, of which ₹403.61 lakhs towards interest reimbursement is deducted from Finance cost and ₹68.86 lakhs related to reimbursement of storage expenses is deducted from Other expenses. Since the terminal date of the scheme was is in FY 2020-21, during FY 2021-22, no amount is accounted under the above scheme.

55 GOI vide notification no 1(14)/2019 –S.P.-1 dated 12.09.2019, notified a Scheme for providing-assistance @ ₹10,448/- per MT to sugar mills for expenses on marketing cost including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar under MAEQ Scheme for sugar season 2019-20. During FY 2020-21 Company's entitlement was ₹8,409.60 Lakhs under the said scheme and credited the same to other operating revenues.

Further, GOI vide notification no 1(6)/2020 –S.P.-1 dated 29.12.2020, notified a Scheme for providing-assistance @ ₹6,000/- per MT to sugar mills for expenses on marketing cost including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar under MAEQ Scheme for sugar season 2020-21. Under the said Scheme, the Company's entitlement during FY 2020-21 works out to ₹4,767.18 Lakhs and credited the same to other operating revenues.

56 Based on the incentive policy announced by the State Government of Uttar Pradesh vide order no. -1631 (1) S.C./ 18-02-2004-57/ 2004 dated 24.08.2004 to encourage investment in the State, the Company proceeded to invest amount in excess of threshold limit as set out in the policy for availing various benefits over ten years period. On 04.06.2017 the policy was unilaterally withdrawn vide G.O. No. 1216 S.C/18.02.2007-185/2006.

Aggrieved by the said order of withdrawal, the Company and other aggrieved sugar companies challenged the order by filing appropriate writ petitions. Hon'ble High Court on 12.02.2019 passed an order quashing & setting aside the order withdrawing the incentive scheme and held the same to be in violation of principle of estopple & natural justice.

Company has since then written to competent authorities and submitted the requisite information/documents in support of its claims, the matter is yet to be concluded by the authorities.

57 Events occurring after the balance sheet date:

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

58 Income tax:

a) Amount recognised in Statement of profit and loss (₹ In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current income tax	3,851.41	2,112.52
Deferred tax	2,494.58	715.32
Income tax expense reported in the statement of profit and loss	6,345.99	2,827.84

b) Reconciliation of effective tax rate (₹ In Lakhs)

Tax expense		
Profit before tax	21,867.48	11,980.21
Add: Interest on Tax as grouped in finance cost	103.69	73.11
Less: Other comprehensive income	57.00	(16.94)
Add: Ind AS Adjustment	5.78	52.80
	22,033.95	**12,089.18**
Less: Income exempted under Income Tax Act (Power Income)	4,242.70	4,436.65
	17,791.25	**7,652.53**
Applicable tax rate*	34.944%	34.944%
Computed tax expense	**6,216.97**	**2,674.10**
Total Tax Expense	**6,216.97**	**2,674.10**
Adjustments for:		
Income exempt for tax purpose	2.10	3.52
Expenses not allowed for tax purpose	107.52	53.74
Changes in recognized deductible temporary differences	419.94	(439.38)
Prior year MAT entitlement	5.14	(62.99)
Effect of deferred tax adjustment (excluding MAT credit entitlement/ utilisation)	(405.68)	598.85
Net adjustments	**129.02**	**153.74**
Tax Expense	**6,345.99**	**2,827.84**

*Pursuant to introduction of section 115BAA of the Income Tax Act, 1961 through Taxation Law (Amendment) Ordinance, 2019 (Ordinance), the domestic companies have with effect from financial year commencing from April 1, 2019 and

58 Income tax: (contd.)

thereafter, option to pay corporate income tax at reduced rate plus applicable surcharge and cess (New Tax Rate) by foregoing certain exemptions / deduction. Based on the assessment made by the Company, exemptions / deductions as available to the Company will get exhausted in future financial years after which the Company will opt for lower tax rate as stated above. Accordingly Company has measured its deferred tax assets and liabilities using the dual income tax rates, resulting in reversal of deferred tax liability of ₹1,628.69 lakhs (previous year ₹1,422.79 lakhs).

59 COVID 19

The Company is periodically reviewing possible impact of COVID-19 on it's business and the same are considered in preparation of financial statements for the year ended 31st March, 2022. Review includes internal & external factors as known to the Company up to the date of approval of these financial statements to assess and finalise the carrying amounts of its assets & Liabilities.

60 Details of loans given, investments made and guarantee given under section 186(4) of the Companies Act, 2013

(₹ In Lakhs)

	Amount outstanding as at March 31, 2022	Amount outstanding as at March 31, 2021
Loan given	-	-
Guarantee given	-	-
Investment made	31.90	33.26

61 The previous year's including figures as on the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

62 Other Statutory information

i) The Company do not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.

ii) The Company do not have any transactions with companies struck off.

iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The Company have not traded or invested in crypto currency or virtual currency during the financial year.

v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or

  b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

  a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

  b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

62 Other Statutory information (contd.)

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

viii) The Company have not declared willful defaulter by any banks or any other financial institution at any time during the financial year.

ix) All immovable properties are held in the name of the Company.

63 Ratios:

Sr. No.	Particulars	Year ended		Variation	Reason for variation
		March 31, 2022 Audited	March 31, 2021 Audited		
i	**Debt-to-Equity (D/E) Ratio (in times)** (Total Debt (Long term +Short term including current maturity)/Total Shareholders' Equity)	0.77	1.04	-25.96%	Reduction in debt to equity ratio is attributable lower utilisation of working capital limits on indicating improved cash flows and also to higher profits retained during the year
ii	**Debt service coverage ratio (in times)** {(Profit after tax+ depreciation+ interest on term loan) /(Interest on term loan + Long term principal repayment amount during the period)}"	3.43	0.78	339.74%	Higher debt service coverage ratio is on account of higher profit after tax during the year
iii	**Current ratio (in times)** Current Assets/ Current Liabilities	1.62	1.41	14.89%	
iv	**Debtors turnover (in times)** [Net Credit Sales / Average Accounts Receivable { (Closing Accounts Receivable + Opening Accounts Receivable)/2}]	7.35	2.55	188.24%	Reduction in average accounts receivable, reflecting faster collection of dues from debtors together with higher net credit sales is the reason for higher debtor turnover ratio
v	**Inventory turnover (in times)** [Revenue from operation / Average Inventory { (Closing Inventory + Opening Inventory)/2}]	2.45	2.08	17.79%	
vi	**Net profit margin (%)** (Net Profit after tax/ Total Revenue)	7.85%	4.96%	58.27%	More remunerative sales mix with the share of distillery segment revenue being higher has contributed to improved net profit margin
vii	**Return on equity ratio (%)** (Net profit after tax/Average shareholder equity)	24.81%	17.25%	43.83%	Higher net profit on account remunerative sales mix has resulted in higher return on equity ratio

Notes to Financial Statements as at March 31, 2022

CIN No: L15421UP1993PLC018642

63 Ratios: (contd.)

Sr. No.	Particulars	Year ended March 31, 2022 Audited	Year ended March 31, 2021 Audited	Variation	Reason for variation
viii	**Trade Payable turnover ratio (%)** Net credit purchase/average trade payable	10.40%	7.45%	39.60%	Improvement in trade payable turnover ratio is attributable to higher credit purchases on the one hand and lower average trade payable on the other hand indicating quicker payment of dues to creditors
ix	**Net capital Turnover ratio (%)** Net annual sale/working capital	6.07%	6.43%	-5.60%	
x	**Return on capital employed (%)** Earning before interest and tax/(Tangible net worth + total debt + deferred tax liability)	20.98%	14.16%	48.16%	Higher return on capital employed is on account of improved profitability represented by higher Earning before interest and tax
xi	**Return on investment (%)** Net income (PAT)/cost of investment (total assets)	10.93%	6.33%	72.67%	Improved return on investment is because of higher profit after tax earned during the year

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **NSBP & Co.**
Chartered Accountants
Firm Regn. No. 001075N

Deepak K. Aggarwal
Partner
Membership No. 095541
UDIN: 22095541AIGPQV7129

Place: New Delhi
Date: May 02, 2022

For and on behalf of the Board of Directors of
DWARIKESH SUGAR INDUSTRIES LIMITED

G. R. Morarka
Executive Chairman
DIN: 00002078

Vijay S. Banka
Managing Director
DIN: 00963355

B. J. Maheshwari
Managing Director & CS cum CCO
DIN: 00002075

Sunil Kumar Goel
Chief Financial Officer

Place: Mumbai
Date: May 02, 2022

Key Financial Data

(₹ In Lakhs)

	2011-2012 (Oct11-Sept12)	2012-2013 (Oct12-Sept13)	2013-2015 (18 months) (Oct13-Mar 15))	2015-2016 (Apr 15-Mar 16)	2016-2017# (Apr 16-Mar17)	2017-2018 (Apr 17-Mar 18)	2018-2019 (Apr 18-Mar 19)	2019-2020 (Apr 19-Mar 20)	2020-2021 (Apr 20-Mar 21)	2021-2022 (Apr 21-Mar 22)
Sales	72,595	96,282	1,17,643	83,151	1,25,610	1,45,828	1,08,412	1,33,613	1,83,885	1,97,406
Excise Duty	(2,735)	(3,521)	(4,035)	(3,717)	(6,570)	(2,833)	-	-	-	-
Net revenue from operations	69,860	92,761	1,13,608	79,434	1,19,040	1,42,995	1,08,412	1,33,613	1,83,885	1,97,406
Other Income	216	1,310	265	862	1,456	1,748	3,610	540	709	316
Total Income	**70,076**	**94,072**	**1,13,874**	**80,296**	**1,20,496**	**1,44,743**	**1,12,022**	**1,34,153**	**1,84,594**	**1,97,722**
Manufacturing and operating expenses	63,790	74,247	1,19,978	61,717	85,923	1,10,178	1,09,051	1,11,573	1,36,663	1,37,249
Decrease / (Increase) in stock	(9,941)	4,511	(28,228)	(2,856)	(7,014)	4,716	(29,154)	(8,647)	6,444	10,276
Exception item/ Deferred revenue expenditure	-	-	-	(492)	(323)	-	-	-	-	
Staff expenses	3,805	4,030	7,144	4,968	7,157	6,933	7,084	7,879	9,275	9,629
Selling & administration expenses (other expenses*)	2,811	4,101	5,393	4,785	5,638	6,919	8,526	9,201	11,378	11,171
Total Expenditure	**60,465**	**86,889**	**1,04,286**	**68,122**	**91,381**	**1,28,746**	**95,507**	**1,20,006**	**1,63,760**	**1,68,325**
Profit before interest, depreciation and tax (PBIDT)	9,611	7,183	9,587	12,174	29,115	15,997	16,515	14,147	20,834	29,397
Depreciation and amortization expenses	3,289	3,319	4,725	3,076	2,994	3,250	3,295	3,687	4,089	4,363
Profit before interest and tax (PBIT)	6,322	3,864	4,862	9,098	26,121	12,747	13,220	10,460	16,745	25,034
Interest	7,886	7,056	7,521	5,159	5,250	2,531	2,126	3,303	4,765	3,166
Profit before tax (PBT)	(1,564)	(3,192)	(2,659)	3,939	20,871	10,216	11,094	7,157	11,980	21,868
Taxes	(433)	(1,256)	(984)	42	5,260	71	1,583	(188)	2,826	6,346
Profit after Tax (PAT)	(1,131)	(1,936)	(1,675)	3,897	15,611	10,145	9,511	7,345	9,154	15,522
Cash accruals	1,725	126	2,066	6,378	19,168	11,407	11,976	9,585	13,958	22,380
Equity Share Capital	1,631	1,631	1,631	1,631	1,883	1,883	1,883	1,883	1,883	1,883
Preference Share Capital	1,610	3,110	3,110	3,110	-	-	-	-	-	-
Share Application money pending allotment	1,000	-	-	-	-	-	-	-	-	-
Reserves & Surplus/Other Equity	9,255	7,319	5,644	6,960	26,718	34,699	44,477	46,488	56,008	65,446
Secured loan funds/ Financial liabilites borrowings excluding cash credit limits/ secured loan including repayable within 1 year*	33,169	23,983	27,154	30,141	14,390	5,390	14,469	36,688	19,693	25,059
Unsecured loan funds and Liability component of compound financial instrument	11	9	9	9	3,113	1,611	1,500	1,500	-	-
Net block of fixed assets/Property,Plant Equipment, Right to use asset and capital work in progress	46,999	44,044	39,861	35,666	33,185	34,101	33,557	43,224	41,045	53,060
Investment	24	24	24	20	32	32	32	33	33	32
Deferred tax liability	249	-	-	-	-	-	-	-	-	
Deferred tax Assets	-	1,017	2,001	1,707	1,398	3,331	4,015	5,889	4,977	2,463
Current assets	26,967	19,837	56,964	61,725	66,928	59,045	94,965	1,09,911	98,168	84,687
Non Current Assets/Long term loans & advances & other non current assets	1,231	1,125	1,024	1,005	325	1,851	3,943	1,878	340	1,712
Current Liabilities / current liabilitiees excluding short term borrowing & current maturity of loan term debts	7,813	13,529	25,560	21,190	18,408	25,996	22,026	25,737	23,553	20,184
Non Current Liabilities/Other long term liabilities, lease liability & long term provisions	1,159	1,237	1,494	1,670	1,580	1,556	2,561	2,524	2,405	2,372
Current Liabilities including cash credit limit & excluding current maturity of loan term debts	27,137	28,758	60,833	56,602	54,188	53,223	71,622	71,854	64,555	47,275

regrouped /reclasiified as per schedule VI since 2011-12

#regrouped/ recasted as per IND AS

Financial Icons

(₹ In Lakhs)

Particulars	2011-2012 (Oct11-Sept12)	2012-2013 (Oct12-Sept13)	2013-2015 (18 months) (Oct13-Mar 15))	2015-2016 (Apr 15-Mar 16)	2016-2017# (Apr 16-Mar17)	2017-2018 (Apr 17-Mar 18)	2018-2019 (Apr 18-Mar 19)	2019-2020 (Apr 19-Mar 20)	2020-2021 (Apr 20-Mar 21)	2021-2022 (Apr 21-Mar 22)
OPERATING RATIOS										
Cost of material sold / Total Income	76.84%	83.72%	80.57%	73.30%	65.49%	79.38%	71.32%	76.72%	77.53%	74.61%
Cost of material sold = cost of material consumed* + increase / decrease in stock										
Staff expenses / Total Income	5.43%	4.28%	6.27%	6.19%	5.94%	4.79%	6.32%	5.87%	5.02%	4.87%
Selling & administration expenses / Total income	4.01%	4.36%	4.74%	5.96%	4.68%	4.78%	7.61%	6.86%	6.16%	5.65%
Other expenses* / Net revenue from operations										
PBIDT / Total Income	13.71%	7.64%	8.42%	15.16%	24.16%	11.05%	14.74%	10.55%	11.29%	14.87%
PBIT / Total Income	9.02%	4.11%	4.27%	11.33%	21.68%	8.81%	11.80%	7.80%	9.07%	12.66%
PBT / Total Income	-2.23%	-3.39%	-2.33%	4.91%	17.32%	7.06%	9.90%	5.33%	6.49%	11.06%
PAT / Total Income	-1.61%	-2.06%	-1.47%	4.85%	12.96%	7.01%	8.49%	5.48%	4.96%	7.85%
*regrouped /reclassified as per schedule VI since 2011-12 #regrouped/ recasted as per IND AS										
BALANCE SHEET RATIO										
Debt Equity Ratio	4.35	3.94	7.86	7.13	1.74	0.89	1.37	1.70	1.04	0.77
(Total Debt (Long term bank borrowing +Short term bank borrowing which includes the current maturity now)/Total Shareholders' Equity)										
Inventory Turnover Ratio	3.72	4.30	3.33	1.55	2.08	2.51	1.60	1.54	2.08	2.45
Revenue from operation / Average Inventory { (Closing Inventory + Opening Inventory)/2}										
Fixed Assets Turnover Ratio (Net Revenue from operations / net block of fixed assets)	1.49	2.11	2.85	2.23	3.59	4.19	3.23	3.09	4.48	3.72
Fixed Assets Coverage Ratio (FACR) (Net block of fixed assets/ Secured loan excluding cash credit)	1.41	1.83	1.47	1.18	2.31	6.33	2.32	1.18	2.08	2.12
PER SHARE DATA										
Earnings per share (EPS) (₹)	(7.88)	(13.53)	(13.19)	22.02	8.87	5.39	5.05	3.90	4.86	8.24
Cash earnings per share (CEPS) (₹)	9.62	(0.95)	15.77	41.08	7.59	6.06	6.36	5.09	7.41	11.89
Dividend (₹ per Equity Share)	-	-	-	-	10.00	-	1.00	1.00	1.25	2.00
Dividend %	-	-	-	-	100%	-	100%	100%**	125%	200%**
Book Value (₹)	66.73	54.86	44.60	52.66	15.19	19.43	24.62	25.69	30.74	35.76

*regrouped /reclasiified as per schedule VI since 2011-12

** interim dividend

#regrouped/ recasted as per IND AS

Value-Added Statement

(₹ In Lakhs)

Particulars	2011-2012 (Oct11-Sept12)	2012-2013 (Oct12-Sept13)	2013-2015 (18 months) (Oct13-Mar 15))	2015-2016 (Apr 15-Mar 16)	2016-2017# (Apr 16-Mar17)	2017-2018 (Apr 17-Mar 18)	2018-2019 (Apr 18-Mar 19)	2019-2020 (Apr 19-Mar 20)	2020-2021 (Apr 20-Mar 21)	2021-2022 (Apr 21-Mar 22)
Corporate Output (Total Income incl.excise duty)	72,811	97,593	1,17,909	84,013	1,27,066	1,47,576	1,12,022	1,34,153	1,84,594	1,97,722
Less: Manufacturing & Operating expenses/	53,849	78,758	91,749	58,861	78,909	1,14,894	79,897	1,02,926	1,43,107	1,47,525
cost of material consumed*+Increase/ decrease in stock										
Less:Exceptional Item/ deferred revenue expenditure	-	-	-	(492)	(323)	-	-	-	-	-
Less: Selling & Administrative expenses/	2,811	4,101	5,393	4,785	5,638	6,919	8,526	9,201	11,378	11,171
Other Expenses*										
Gross Value Added	16,151	14,733	20,766	20,859	42,842	25,764	23,599	22,026	30,109	39,026
Less: Depreciation	3,289	3,319	4,725	3,076	2,994	3,250	3,295	3,687	4,089	4,363
Net Value Added	**12,862**	**11,415**	**16,041**	**17,783**	**39,847**	**22,513**	**20,304**	**18,339**	**26,020**	**34,663**
Allocation of Net Value Added										
to personnel	3,805	4,030	7,144	4,968	7,157	6,933	7,084	7,879	9,275	9,629
to Exchequer (Excise/GST)	2,735	3,521	4,035	3,717	6,570	2,833	-	-	-	-
to Exchequer (Direct Taxes)	-	-	-	145	4,375	2,059	2,413	1,259	2,111	3,851
to Mat Credit (entitlement)/utilization	-	-	-	(135)	(4,375)	(1,942)	(600)	(795)	116	2,900
to deferred tax	(433)	(1,256)	(984)	33	5,260	(46)	(230)	(652)	599	(405)
to Stake holders (Interest)	7,886	7,056	7,521	5,159	5,250	2,531	2,126	3,303	4,765	3,166
to Company (Retained earnings)	(1,131)	(1,936)	(1,674)	3,897	15,611	10,145	9,511	7,345	9,154	15,522
	12,862	**11,415**	**16,041**	**17,783**	**39,847**	**22,513**	**20,304**	**18,339**	**26,020**	**34,663**

*regrouped /reclasiified as per schedule VI since 2011-12

#regrouped/ recasted as per IND AS

Allocation of the value added to the State Exchequer does not include GST payment of ₹4,836 lakhs, ₹8,549 lakhs, ₹5,989 lakhs, and ₹5,033 lakhs for F.Y 2021-22, F.Y 2020-21, F.Y 2019-20, and F.Y 2018-19 respectively.

Key Statistics

(₹ In Lakhs)

Particulars-SS	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022 (Ongoing crushing season up to 31.03.2022)
No of days crushed											
- DN	155	159	141	156	146	173	197	175	208	203	154
- DP	147	148	131	139	127	169	188	175	202	200	154
- DD	145	143	111	113	98	148	203	153	183	168	143
Sugar cane Crushed in Qtls.											
- DN	76,62,759	77,30,481	67,54,422	82,88,859	78,21,407	91,37,553	1,17,72,480	1,04,23,884	1,28,10,128	1,29,61,630	97,53,300
- DP	78,88,321	83,90,189	72,63,772	81,52,637	72,80,891	97,94,050	1,12,66,539	1,01,33,177	1,19,46,807	1,27,94,093	98,72,700
- DD	81,57,356	81,39,741	68,53,451	68,64,859	59,46,903	94,08,128	1,33,01,396	1,01,26,814	1,26,60,044	1,20,79,976	1,02,50,800
Recovery gross %											
- DN	10.16	10.32	10.47	11.11	12.12	12.34	12.24	12.44	12.42	12.43	12.21
- DP	9.73	10.00	10.52	10.98	11.77	12.11	12.24	12.24	12.42	12.43	12.03
- DD	9.09	9.15	9.65	10.14	11.16	10.89	11.24	12.24	12.39	12.08	11.34
Recovery net %											
- DN	10.16	10.32	10.47	11.11	12.12	12.34	12.24	12.44	12.00	10.97	10.52
- DP	9.73	10.00	10.52	10.98	11.77	12.11	12.24	12.24	12.42	11.07	10.39
- DD	9.09	9.15	9.65	10.14	11.16	10.89	11.24	12.24	12.39	12.08	10.03
Total losses %*											
- DN	1.82	1.83	1.79	1.70	1.82	1.75	1.76	1.77	2.17	3.16	3.32
- DP	1.76	1.81	1.66	1.61	1.62	1.61	1.66	1.74	1.60	2.94	3.15
- DD	1.90	1.92	1.68	1.72	1.74	1.75	1.86	1.70	1.72	1.81	3.01
Sugar Bagged in Qunitals											
- DN	7,78,198	7,97,890	7,07,397	9,20,511	9,48,800	11,27,722	14,41,423	12,96,625	15,36,915	14,21,800	10,18,600
- DP	7,67,410	8,38,650	7,64,090	8,95,261	8,56,652	11,85,936	13,79,135	12,40,605	14,84,250	14,16,635	10,17,950
- DD	7,41,195	7,44,505	6,61,266	6,95,766	6,65,433	10,24,515	14,95,298	12,39,857	15,67,955	14,59,618	10,21,850

* In SS 2019-20 'B' heavy molasses was generated at DN unit, in SS 2020-21 'B' heavy molasses was generated at DN & DP units and in SS 2021-22 'B' heavy molasses was generated at all units. Brix of molasses generated is different for different seasons and also different for different units. Hence the losses are not comparable for the units and the seasons under reckoning

Corporate information

Directors

G. R. Morarka,
Executive Chairman

B. K. Agarwal,
Independent Director

K. N. Prithviraj,
Independent Director

Nina Chatrath,
Independent Director

Gopal B. Hosur,
Independent Director

Rajan K. Medhekar,
Independent Director

B. J. Maheshwari,
Managing Director & CS cum CCO

Vijay S. Banka,
Managing Director

Registered office & Unit I

Dwarikesh Nagar - 246 762
District: Bijnor,
Uttar Pradesh.

Unit II:
Dwarikesh Puram - 246 722.
Tehsil Dhampur, District Bijnor,
Uttar Pradesh.

Unit III:
Dwarikesh Dham - 243 503.
Tehsil Faridpur, District Bareilly,
Uttar Pradesh.

Corporate office

511, Maker Chambers – V,
221, Nariman Point,
Mumbai - 400 021.

President (Corporate Affairs)

Priyanka G. Morarka

Senior Executive Vice President (Works) DD Unit

R. K. Gupta

Vice President (Works) – DN & DP Units

K. P. Singh

Vice President -Group Compliance Officer

S. S. Arya

Chief Financial Officer

Sunil Kumar Goel

Bankers

Punjab National Bank

Solicitors

Kanga & Co.

Auditors

N S B P & Co.
Chartered Accountants

Dwarikesh
Sugar Industries Limited

www.dwarikesh.com