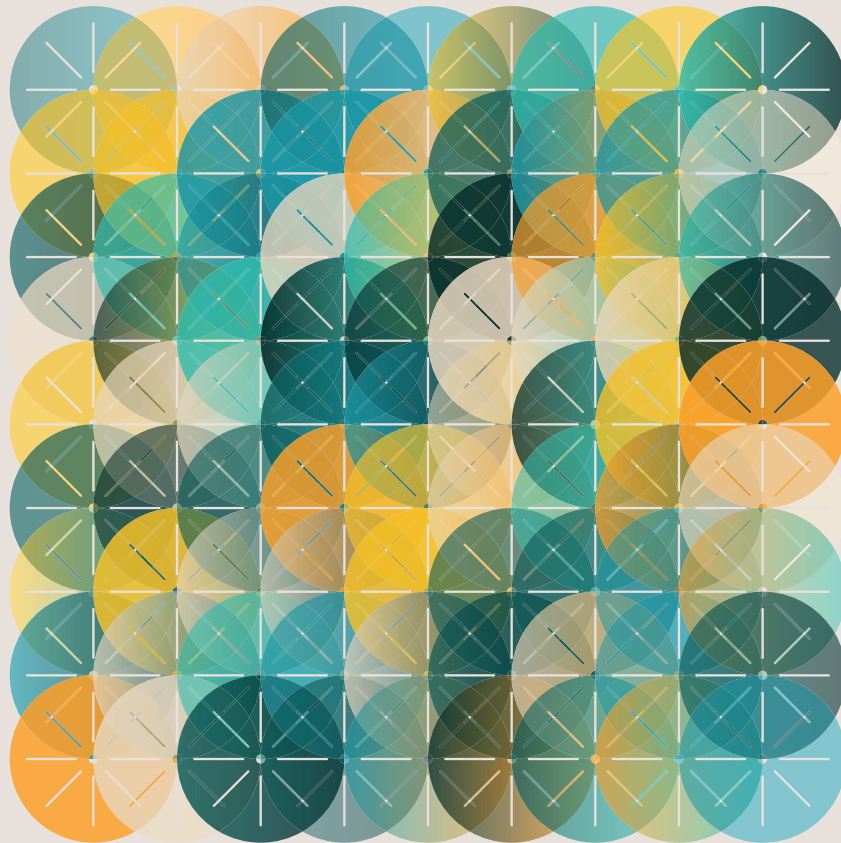


DWARIKESH SUGAR INDUSTRIES LIMITED
29TH ANNUAL REPORT 2022-23



CONSOLIDATION

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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.



CONSOLIDATION

At Dwarikesh Sugar Industries Limited, we have grown our distillery capacity from 30 KLPD to 337.5 KLPD in the space of 3 years.

The time has come for the Company to consolidate.

At DSIL, 'consolidation' is not a period of inactivity; it is a period when the Company looks within, seeking to strengthen efficiencies and generate more from less.

This phase of continuous improvement will make it possible to maximise capital efficiency and enhance stakeholder value.



PART ONE

**WHAT
WE ARE
AND WHAT
WE DO**



CORPORATE SNAPSHOT

Dwarikesh Sugar Industries Limited.

One of India's renowned sugar companies.

Now emerging predominantly as a bio-energy company with supporting businesses of sugar manufacture and power co-generation.

Respected for its passion, extending beyond the normal call of duty and redefining sectoral benchmarks.

Background

Dwarikesh Sugar Industries Limited was founded by Shri G. R. Morarka in 1993. In the space of 30 years, the Company has gone on to become one of the most prominent in India's sugar sector. Dwarikesh has created a diversified products portfolio, comprising sugar, ethanol and co-generated power.

Manufacturing facilities

The Company has three manufacturing units in Central Uttar Pradesh. The Company's Dwarikesh Nagar and Dwarikesh Puram plants are situated 45 kms apart in Bijnor district; the Dwarikesh Dham plant is located in Bareilly district.

People

The Company employed 780 permanent non-seasonal talents as on March 31, 2023 across its manufacturing facilities and offices. More than 95% of these employees were based in the Company's manufacturing facilities. The average employee age was 44 years at the close of the year under review.

Products

The Company focuses on the manufacture of sugar, ethanol (related products) and power.

Resource availability

The Company worked with ~1.54 lakh farmers who raised cane from more than 1.17 lakh hectares across three locations. The Company increased its procurement of sugarcane from 194 lakh quintals in 2007-08 to 382 lakh quintals in 2022-23. This translated into a procurement value of ₹1,322.52 crore in 2022-23, strengthening the rural economy in the regions of the Company's presence.

Listing

The Company is listed on the National Stock Exchange and Bombay Stock Exchange. As on March 31, 2023, the market capitalisation of the Company was ₹1,607.72 crore.



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 and to eventually metamorphose into an energy conglomerate.

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 harness sugar by-products and produce ethanol & power as growth enablers.

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.

Capacities

The Company's first sugar manufacturing unit was commissioned in Bijnor, Uttar Pradesh, in 1995 with a cane crushing capacity of 2,500 tonnes per day.

Capacity as on March 31, 2023	Dwarikesh Nagar, Bijnor	Dwarikesh Puram, Bijnor	Dwarikesh Dham, Bareilly	Aggregate
Sugar (tonnes of cane per day)	6,500	7,500	7,500	21,500
Co-generation (megawatts)	22	33	41	96
Distillery (litres per day)	1,62,500	-	1,75,000	3,37,500

Leadership

Shri G. R. Morarka, *Executive Chairman*

- Over 35 years of experience in India's sugar sector.
- Commerce graduate and ICWA Inter pass-out.
- Direct involvement in the business.
- Respected industry statesman; 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 35 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 35 years of experience in legal, taxation, secretarial and administrative areas.
- Chartered Accountant and Company Secretary.
- Employed with Dwarikesh 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 30 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 cogeneration capacity of 6 MW.

Undertook road and infrastructure building initiatives around the plant.

1996

Provided mechanical operational equipment to the farmers to encourage the planting 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 cogeneration 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 the Dwarikesh Puram plant with a crushing capacity of 7,500 TCD and a cogeneration 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 cogeneration 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 December 23, 2019.

2020

Stabilised the distillery with a capacity of 130 KLPD. Set up a CO2 producing unit.

2021

Recalibrated the distillery capacity and stabilised it at 162.5 KLPD.

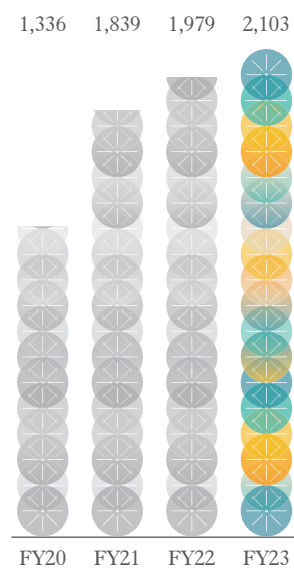
2022

Set up a 175 KLPD distillery at the Dwarikesh Dham sugar unit.

Commissioned the ₹232 crore plant in a record nine months.

How we reported financial growth in the last few years

Revenues (₹ crore)



Definition

Revenues include sales and 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.

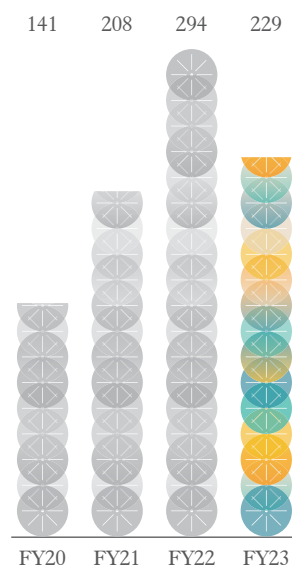
What does it mean?

Revenues increased by 6.27% to ₹2,103 crore in 2022-23.

Value impact

The increase in revenue was a result of the realignment of revenue mix with increased distillery segment share, a sign of the Company's transition from a sugar to an energy company.

EBITDA (₹ crore)



Definition

Earnings 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 witnessed a decline in EBITDA on account of an increase in the cost of goods sold without a corresponding increase in their selling price.

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.

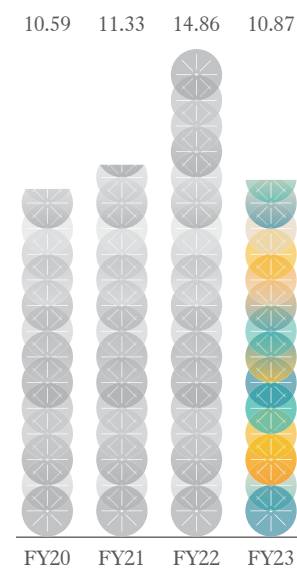
What does it mean?

Ensures that adequate surplus is available for reinvestment.

Value impact

The Company reported a 32% decrease in net profit in 2022-23 on account of higher cane costs notwithstanding a moderation of finance costs.

EBITDA margin (%)



Definition

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

Why is this measured?

The EBITDA 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?

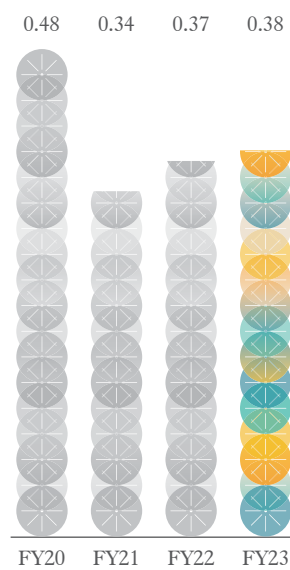
Demonstrates adequate buffer in the business expressed as a percentage, which, when multiplied by scale, enhances the surplus.

Value impact

The Company reported a 3.99% decline in EBITDA margin during 2022-23, on account of decline in EBITDA due to an increase in the cost of goods sold, which we were not able to pass on to our customers.



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.

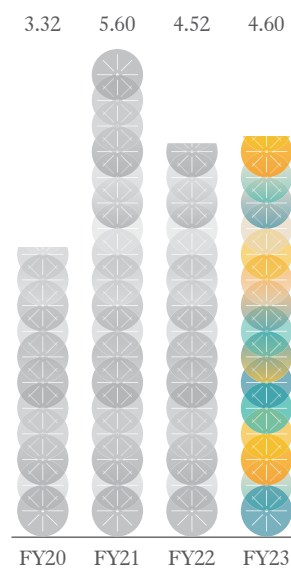
What does it mean?

This measure enhances perception of the borrowing room within the Company, the lower the gearing the better.

Value impact

The Company's gearing was marginally higher due to the term loan being awaited for the DD distillery 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 marginally higher than in 2021-22 due to an increase in lending rates by banks.

Interest cover (x)



Definition

This is derived through the division of EBID less tax by interest outflow.

Why is this measured?

Interest cover indicates the Company's comfort in servicing interest – the higher the better.

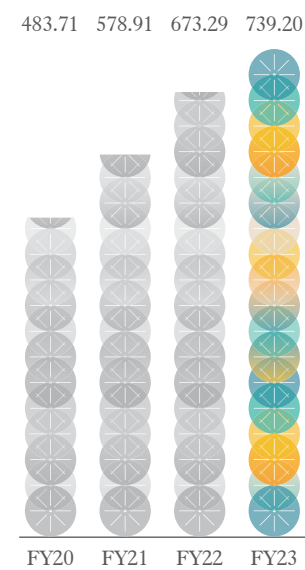
What does it mean?

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 is healthy at 6.21. The y-o-y decline was on account of a lower EBID during the year.

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?

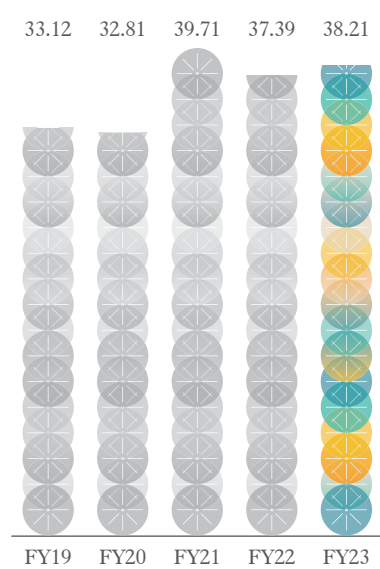
This indicates the borrowing capacity of the Company, influencing the gearing (which influences the cost at which the Company can mobilise debt).

Value impact

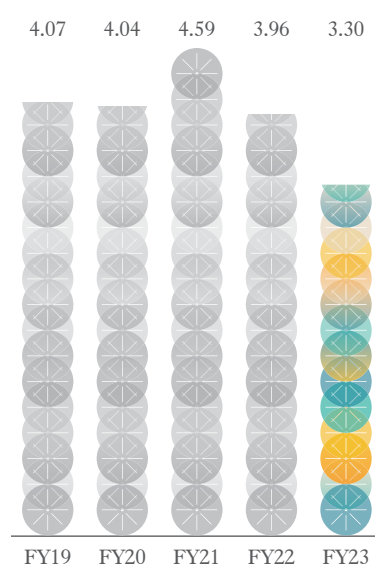
The Company's net worth strengthened 9.79% during the year on account of a judicious ploughing back of profits after paying a dividend to shareholders.

How we strengthened our operations across the years

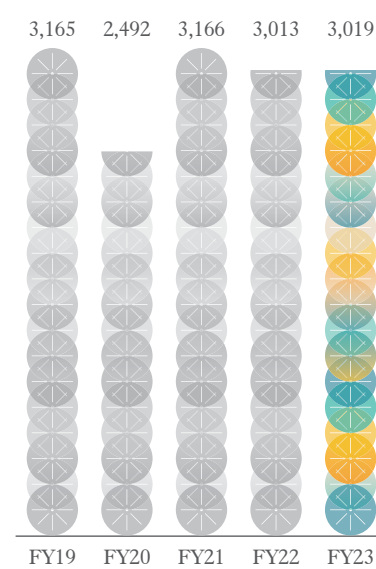
Sugar cane crushed (lakh tonnes)



Sugar produced (lakh tonnes)



Power generated (lakh units)



Balance Sheet

Ratio	2018-19	2019-20	2020-21	2021-22	2022-23
Earnings per share	5.05	3.90	4.86	8.24	5.57
Book Value per share	24.62	25.69	30.74	35.76	39.29
Inventory turnover ratio (turnover / closing inventory)	1.60	1.54	2.08	2.45	3.19
Fixed assets turnover ratio	3.23	3.09	4.48	3.72	3.61

Profitability ratios

Percentage (%)	2018-19	2019-20	2020-21	2021-22	2022-23
EBITDA margin	15.23	10.59	11.33	14.86	10.87
Net profit margin	8.49	5.48	4.96	7.83	4.95

Liquidity and solvency ratios

Ratio	2018-19	2019-20	2020-21	2021-22	2022-23
Current ratio	1.29	1.21	1.41	1.62	2.30
Quick ratio	0.17	0.20	0.18	0.16	0.40
Debt-equity ratio (including working capital)	1.37	1.70	1.04	0.78	0.50
Debt-equity ratio (only long-term debt)	0.33	0.77	0.34	0.37	0.38
Interest cover	7.00	4.04	3.78	7.14	6.21
Receivables in days of turnover equivalent (considering sale of power, ethanol and CO ₂ , which are only sold on credit)	153.57	216.61	114.43	49.66	33.27
Payables in days of turnover equivalent	66.53	64.18	52.75	37.71	19.46



PART TWO

**CONSOLIDATION
AND WHAT
THIS MEANS AT
DWARIKESH**



1
We commissioned our largest distillery of 175 KLPD on schedule in FY 23



2
We touched peak capacity utilisation of this expanded capacity within 11 days of commissioning



PRINCIPAL MESSAGES



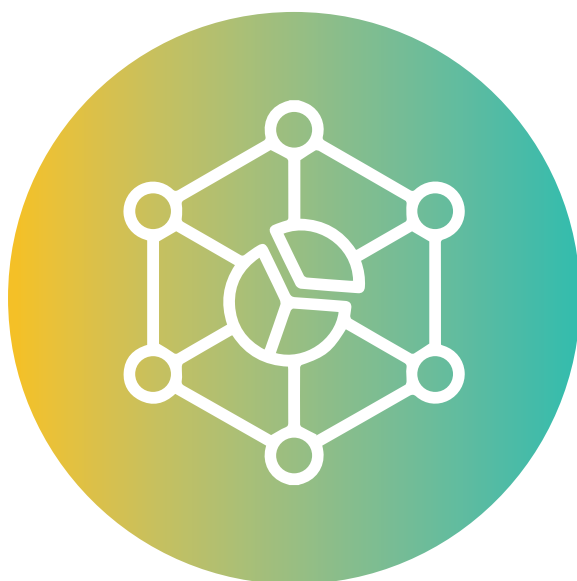
3
This expansion has evolved our revenue mix; we are transforming from a sugar company into a bio-energy player



4
We are one of the few fully integrated players in the Indian sugar sector



5
The time has come for us to consolidate our facilities and capacities with the objective to sweat them better, enhancing overall efficiency



CONSOLIDATION. THE OPERATIVE WORD

In the last five years, Dwarikesh Sugar Industries Limited has emerged as one of the few fully integrated sugar companies in India.

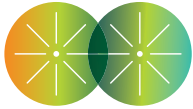
In the last three years, the Company broad-based its ethanol manufacturing capacity from a nominal 30 KLPD to 337.5 KLPD.

The time has come for the Company to consolidate its capital expenditure programme, sweat its

manufacturing capacities, enhance process efficiency and graduate business hygiene to the next level.

The bottomline is that 'consolidation' at Dwarikesh does not mean stagnation; it implies that we will continue to strengthen our business through superior efficiencies, maximising Return on Capital Employed.

Our time starts now.

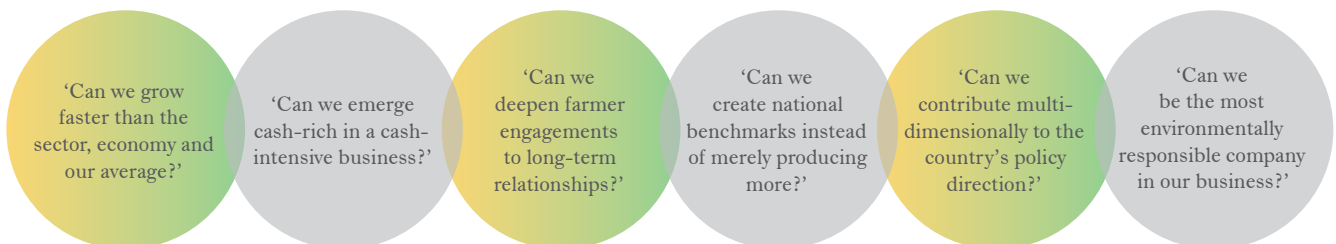


At Dwarikesh, effective consolidation is not a defensive response

It is the core of what we are



At Dwarikesh, consolidate means ‘Moving from bigger to better’





At Dwarikesh, our consolidation will be directed at building a more profitable enterprise

Superior asset productivity

At Dwarikesh, by generating more from a given asset base, we have consistently demonstrated our asset productivity.

Dwarikesh's net block as a % of revenues is now considered among the lowest in India's sugar sector.

The moderate net block has been accompanied by correspondingly lower debt and a relatively smaller Balance Sheet.

This reality makes Dwarikesh among the nimblest companies in generating more from given resources.

Superior working capital efficiency

In the past, Dwarikesh's working capital was largely mobilised to store the sugar that it manufactured.

Even as sugar would be produced in just five to six months, the output would need to be stored for more than a year as sales would be gradual.

This sizable inventory would be funded by working capital loans mobilised from banks at a high rate of interest.

At peak, Dwarikesh utilised around ₹375 crore of working capital and paid ₹5.02 crore out as interest on working capital in financial year 2022-23.

Once the Company selected to shift its strategic needle towards an increased manufacture of ethanol (which needed no inventorisation), working capital outlay declined.

During the last financial year, the Company's working capital outlay was only ₹180 crore, a 47% decline from peak.

As the production of ethanol increases with a corresponding decline in the proportion of revenues derived from sugar, Dwarikesh is attractively placed to moderate its working capital appetite further.

This recalibration is expected to enhance interest cover, liquidity and profitability, a robust platform for long-term sustainability.

Superior distillery utilisation

The peak capacity utilisation of our new distillery within months of commissioning was 100%.

Superior distillery efficiency

The high level of efficiencies derived from our new distillery was 100%.

Superior credit rating

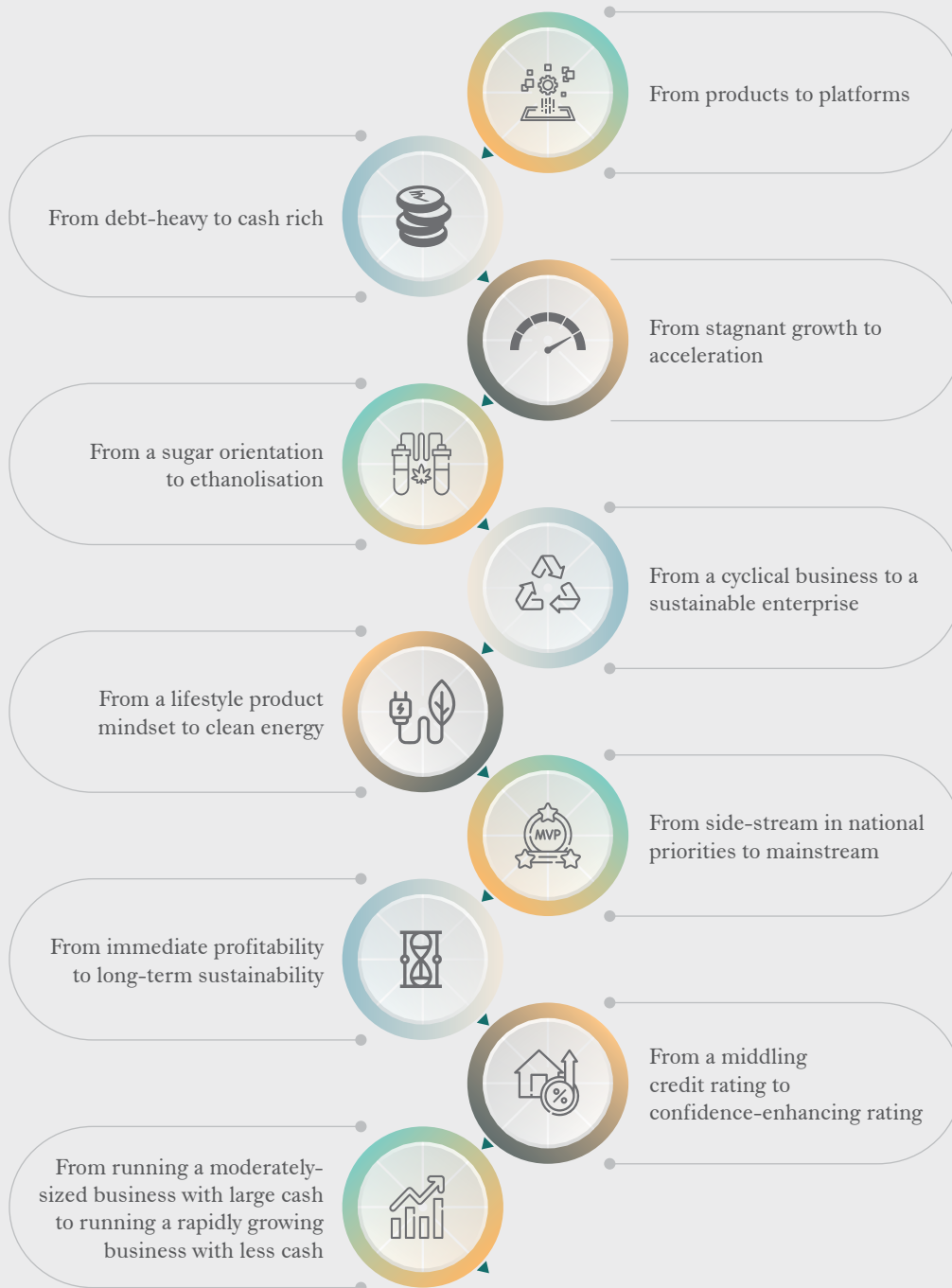
At Dwarikesh, the validation of all that we stand for is reflected in our credit rating.

This rating was revised upwards during the year under review. This validated the Company's overarching strategic direction towards ethanol and various efficiency improvements.

In February 2023, ICRA, one of India's premier credit rating agencies, upgraded the long-term rating of Dwarikesh Sugar applicable to bank loans from [ICRA] A+ to [ICRA] AA-. The long-term rating outlook was revised from 'Positive' to 'Stable'.

ICRA indicated: 'The rating upgrade of the debt programme of Dwarikesh Sugar Industries Limited factors is expected improvement in coverage metrics benefitting from reduced working capital borrowings with increased diversion of sugar towards ethanol besides favorable export prospects. The distillery segment's increasing contribution to the operating income lends more stability to the cashflows besides contraction in inventory days resulting in improvement in the working capital cycle.'

At Dwarikesh, we have evolved our personality by pushing the frontier





PART THREE

PERSPECTIVES

Views of the management and employees on what makes Dwarikesh an outperformer

A consolidation phase at Dwarikesh should translate into superior resource efficiency, margins and cash flows

Overview

There is a tendency to miss the fine print in the pursuit of the headline.

This is evident in the need for an accurate appraisal of our company following the announcement of the National Biofuel Policy in 2018.

This landmark policy addressed the overcapacity within India's sugar sector by enhancing the quantum and realization incentives related to the creation of a new revenue line (ethanol). A cyclical business entered a new phase of long-term sustainability. What is important is that the government addressed four long-standing pain points: announced superior realisations for ethanol; it announced a long-term policy that spelt out the growing proportion of ethanol within the country's fuel mix; it provided sugar companies with subsidised debt to commission large distilleries; it encouraged oil marketing companies (buyers of ethanol) to pay within 30 days, strengthening the cash flows of ethanol manufacturers.

When this policy was announced five years ago, Dwarikesh was a sugar-heavy company largely influenced by free market sugar realisations. The year sugar realisations strengthened, Dwarikesh performed better, and vice versa.

The principal message that we wish to communicate is that there has been a paradigm shift since. Dwarikesh has grown into a company that is now relatively counter-cyclical and hence more sustainable.

In 2019, Dwarikesh enhanced its legacy distillery capacity from 30 KLPD to 100 KLPD in the first phase, which was later enhanced to 162.5 KLPD. Following the third expansion, the Company's distillery was raised yet again, this time to 337.5 KLPD effectively from June 24, 2022. At the close of 2022-23, Dwarikesh was one of the largest ethanol manufacturers among sugar companies in Uttar Pradesh. This paradigm shift was achieved on account of Dwarikesh's responsiveness, strategic clarity, speed of asset commissioning and scaling of new investments to peak utilisation in the shortest time.

The paradigm shift also represented a validation of the way Dwarikesh conducts business, an attitudinal platform that is expected to become increasingly profitable, efficient and scalable.

So, if there is a latent message that I would like to leave you with, it would be that even as the National Biofuel Policy proved to be a sectorial gamechanger, it was the manner in which Dwarikesh responded that resulted in paradigm shift.



The numbers

A five-year scoreboard is necessary to appraise the extent of our paradigm shift.

Barring occasional ups and downs, domestic sugar prices largely remained flat and were range-bound between ₹34 to ₹35 per kg during 2017-18 and also during 2022-23.

Average ethanol realisations for Dwarikesh strengthened and moved from ₹38.88 per litre during 2017-18 to ₹63.12 per litre during 2022-23.

We did not just ride a transforming sectorial trend; we transformed our Balance Sheet instead.

We had ₹365 crore of net worth and ₹342 crore of debt as on March 31, 2018; we had ₹739 crore of net worth and ₹372 crore of debt on our books as on March 31, 2023.

The message that I wish to communicate is that we did not just respond with higher margins and surpluses during the last five years; we utilised the critical mass of the positive outcomes to report one of the most extensive shifts in Balance Sheet health in India's sugar sector.

Responsiveness

Some sectorial observers have indicated to me that perhaps our transformation was the result of a general improvement in the water line of the sector that raised the level of all ships. I wish to state with all humility that Dwarikesh moved with speed to capitalise and outperform the broad sugar sector. This outperformance was based on the following initiatives:

One, we recognised immediately that following the National Biofuel Policy there would be a larger incentive to broad-base our product mix towards non-sugar products and revenues.

Two, we felt that within the non-sugar portfolio, there would be a premium on the accelerated creation of a sizable distillery capacity.

Three, we felt that there would now be an even larger focus on the selection of the right distillery technology that would make a complete utilization of resources with negligible or no release of effluents.

Four, we felt that even as we were extending our business forwards (towards ethanol manufacture), there was now an even larger need to broad-base our existing resources (command areas and manufacturing capacities).

Five, the concurrent growth in the availability of resources at one end and manufacturing capacity of end products on the other warranted critical planning so that we never suffered from a resource abundance that compelled us to sell the excess in the market and we never at any point had a larger resource appetite than could be generated within.

Six, we recognised that even as we would need to generate investable resources upfront to kickstart a non-sugar capex cycle, we would need to use every incremental rupee in repaying the debt on our books – a concurrent combination of deleveraging and capital investments.

Outcome

The outcome of this strategic clarity is reflected in the valuation of our company on the stock exchanges. Before the National Biofuel Policy was announced, Dwarikesh was valued at ₹476.40 crore on the stock exchanges as on March 31, 2018; on March 31, 2023, the Company's valuation had strengthened to ₹1,607.72 crore. This appreciation has conclusively validated that the effectiveness of our business model and consequent paradigm shift.

The performance of the last financial year represents a validation of our business model and we expect to build on this going ahead with a relatively smaller Balance Sheet. A consolidation will mark whatever we do in the current financial year: our objective will be to recover our distillery investments in a shorter time; we will endeavour that our Balance Sheet generates a stronger Return on Capital Employed, the basis of all profitability.

Besides, we expect to utilize accruals – minimum debt – in growing our business, ensuring that the value arising from our growth is transmitted extensively to shareholders.

G. R. Morarka, Executive Chairman

Elements of our personality

- 01** An overarching outperformance culture (best of the line across matrices)
- 02** Making timely right-sized investments leading to optimal returns
- 03** Investment in cutting-edge cane varieties to broadband resource stability
- 04** Broadening the portfolio pyramid, enhancing the proportion of non-sugar revenues
- 05** Moderating debt; growing the business mainly with net worth
- 06** Sustaining a culture that makes it possible to generate more from less

The Company delivered across two priorities - reported yet another growth year and commissioned its enhanced distillery capacity on schedule, which should strengthen business sustainability

Overview

Dwarikesh Sugar Industries Limited reported a moderated performance in financial year 2022-23. The lower EBITDA and profit after tax was attributed to an increase in the cost of goods sold without a corresponding increase in their selling price. The Company arrested its performance decline prompted by a timely decision to enhance ethanol revenues, which accounted for a larger proportion of the EBITDA reported by the Company.

The risk mitigation was the result of the Company's timely shift towards increased distillery capacity creation and commissioning, the last leg of which was achieved during the last financial year. The ability to protect realisations largely through distillery operations represented a validation of the Company's paradigm shift.

To give this paradigm shift a perspective, it would be relevant to note that Dwarikesh sustained a nominal 30 KLPD distillery capacity for several years. The Company's decision to freeze

its distillery investments was based on the fact that the distillery technologies of the day were still evolving towards environment-friendliness. Besides, the absence of policy clarity resulted in its distillery investments being kept in abeyance.

Following the announcement of the National Biofuel Policy 2018 and enhanced technology clarity, Dwarikesh moved with speed. In the next five years, the Company increased its distillery capacity more than ten-fold to an aggregated 337.5 KLPD distillery capacity by the close of the year under review. The increase in distillery capacity and a corresponding 'sacrifice' of sugar production in favour of ethanol manufacture generated a superior corporate performance in FY 23.

Performance

In spite of the EBITDA and profit after tax declining by 22% and 32% respectively on account of the incidence of increased raw material cost, the Company's revenues increased by



6.27%. Even as the sugar segment underperformed, distillery revenues more than made up for this segmental decline. This validated the Company's decision to invest disproportionately in enhancing distillery capacity and transforming its core personality from sugar to a bio-energy company. Following a sharp increase in capital investments in the distillery business and a relative freeze on incremental sugar capacity, we are generating a growing proportion of overall revenues from our distillery business. This is evident in the numbers: Revenues from our sugar business declined from 81% in 2021-22 to 72% in 2022-23; correspondingly, revenues from our distillery business increased from 16% in 2021-22 to 25% in 2022-23. We believe that this momentum will grow further during 2023-24 when revenues from our enhanced distillery will be available through the entire financial year.

The Company sold 4.20 lakh tonnes of sugar in 2022-23 compared with 4.60 lakh tonnes in the previous year. The Company sold 1,470 lakh units of co-generated power in 2022-23 compared with 1,595 lakh units in the previous year. The Company sold 842 lakh litres of ethanol in 2022-23 compared with 557 lakh litres in the previous year.

On the realisations front, there was a selective improvement. The Company's sugar realisations improved 2% to an average ₹34.64 per kg during the year over the average realization of the previous year. The average tariff realization of co-generated power was ₹3.30 per unit in FY 23 compared to ₹3.17 per unit in FY 22; the average per litre realization of ethanol improved from ₹50 to ₹58 in 2021-2022 and ₹63 in 2022-23.

The ethanolisation of the Company is evident in the surplus weightage. Even as ethanol accounted for 25% of the Company's revenues in FY 23, it accounted for 43% of the Company's EBITDA. This positive divergence validates the Company's investment rationale and value creation perspective.

The performance would have been better but for a cumulative additional cost of ₹8.95 crore that was incurred on account of a retrospective wage revision payable to employees covered by the Wage Board from October 1, 2018, following a relevant order by the Government of Uttar Pradesh. There was a retrospective increase in the molasses levy sale obligation from 18% to 20% for the entire SS 2021-22, which prevented us from maximizing ethanol sale from around 34,000 quintals of molasses.

Besides, much of the sugar sold during the year under review was generated from cane that was higher in cost than the cane purchased in the previous year by ₹25 per quintal. This increased cane cost could not be immediately passed on to sugar consumers, moderating the profitability of that business.

Improvement and prospects

I must explain how Dwarikesh has remained profitable and why it is optimistic of prospects.

One, at the commencement of the Sugar Season 2022-23, both distilleries of the Company utilised sugarcane juice / syrup as feedstock for the first ever time with prospects of superior economies and realisations on the one hand and the elimination of corresponding sugar inventory on the other. The initial productivity challenges were successfully resolved and both plants achieved optimal productivity thereafter that should now reflect through the crushing period of Sugar Season 2022-23, enhancing the proportion of ethanol in the revenue mix yet further.

Two, the increased ethanol production is now enabling Dwarikesh to completely consume all the molasses that it generates. This will help the Company to eliminate the sale of molasses at sub-optimal realisations. Correspondingly, the incremental molasses now being consumed will strengthen value-addition, enhancing our overall profitability.

Three, we demonstrated last year that we now possess the capacity to moderate sugar output during the crushing season should market conditions warrant. We did this by producing cane juice and diverting that towards the profitable manufacture of ethanol. Interestingly, if we encounter higher sugar realisations, we could always exercise our prudence, increase sugar output and capitalise on market realities. However, since ethanol is presently more profitable than sugar, we will continue to maximise ethanol output by sacrificing more sugar in favour of ethanol, strengthening our overall profitability from a given stick of cane.

Four, one of the biggest improvements has been in our moderated working capital outlay. It would be important to indicate that sugar manufacture is a seasonal business; the product is produced within only five to six months but has to be inventoried for more than a year, during which time the Company needs to deploy working capital (funded through external debt). This working capital quantum is significant and as on March 31, 2023 accounted for 23.77% of the total debt on our books. On the other hand, ethanol (manufactured through the direct juice and B-Heavy routes) can be sold immediately following production (virtually eliminating ethanol inventory) and recovering payments within a month. As the ethanol exposure within the Company has increased,



working capital outlay has declined. This evident during the last financial year when revenues increased 6.27% but working capital outlay moderated 47%. We believe that our capacity to grow our business around a progressively smaller Balance Sheet underpins our long-term sustainability.

Five, we believe that the next leg of our growth curve will be triggered by going back to the roots of our business – almost literally. We intend to engage in extensive cane development; our command areas comprise pockets with room to plant more cane. Our objective will be to utilize digital overhead technologies – drones and GPS – to precisely map our command areas, identify pockets where additional cane can be grown, engage with those farmers and convince them to plant remunerative cane varieties. In doing so, we expect to broaden our cane presence beyond the extensively successful CO 0238 variety that appears to be showing signs of productivity fatigue. The broadbasing of cane varieties should provide us with a platform to graduate yields to the next level and de-risk our business.

Going forward, we expect that crushing will increase at all our units accompanied by increased recovery. By planting additional cane we believe that we would be initiating a virtuous cycle – more cane, more crushing and enhanced output (sugar, ethanol or co-generated power). By paying farmers for their

cane on schedule, we expect to enhance their liquidity and make cane growing a preferred cropping option.

Business outlook

The distillery business is headed in the right direction. India intends to increase the blending of ethanol with automotive fuel from around 10% presently to 20% by 2025. The doubled proportion on a larger consumption base implies that whatever ethanol manufacturers expect to produce will be sold at attractive realisations, accelerating reinvestments. We see this virtuous cycle play out across the future, resulting in a larger ethanol contribution to the bottomline of companies like ours.

At Dwarikesh, an appreciable increase in ethanol output will be derived through enhanced cane crushing and a larger probable sacrifice of sugar production in favour of ethanol manufacture. The enhanced ethanol revenue should more than compensate for a decline in sugar throughput. I am pleased to communicate that our distilleries had achieved rated capacity utilization by the close of the last financial year. Even as we produced 8.50 crore litres of ethanol in FY23, we are attractively placed to graduate our ethanol output to an estimated 11 crore litres during the FY24, marked by superior profitability.

On the sugar side, we remain cautiously optimistic. India is headed to produce 32.8 million tonnes of sugar during sugar season 2022-23 compared to a sugar production of 36.5 million tonnes in SS 2021-22 even as consumption is gradually rising and estimated at about 27.5 million tonnes in SS 2022-23. Besides, the government approved the export of 6 million tonnes of sugar by May 31, 2023. The net result is that the closing stock at the end of the sugar season 2022-23 is estimated at 6 million tonnes, less than three months of consumption. The incremental tailwind is expected from attractive international prices, which could catalyse a positive in sugar realisations.

Consolidation opportunities

Dwarikesh is attractively placed to build on this sectorial platform.

The Company possesses adequate cash on the books to fund the next round of capital investment (as and when decided). The Company may also consider acquisitions of sugar units contiguous to large command areas in select Maharashtra regions that are not water-stressed. The Company may prospect growth opportunities in linked and nascent spaces.

Besides, the Company is attractively placed to enhance the sustainability of its business through the competent service of all its stakeholders.

The Company is addressing commitments made to financial partners (lenders and shareholders) through timely payments related to debt, interest and dividend.

The Company manufactures ethanol and co-generated power, making it integral to the clean energy needs of the country and world; the manufacture of sugar makes it a proxy of the growth of diverse downstream users.

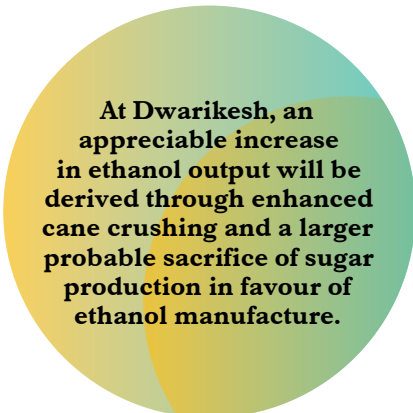
The Company has invested in environmentally benchmarked technologies, reinforcing its position as a responsible corporate citizen.

The Company enjoys active relationships with more than 1.54 lakh farmers, a dependable platform on which to build year-on-year resource predictability.

The Company is a stable employer; more than 95% of its employee base is non-urban by geography, making it a driver of rural prosperity.

By the virtue of addressing all stakeholder needs, we are attractively placed to grow our business in a sustainable way across the foreseeable future.

Vijay S Banka, Managing Director

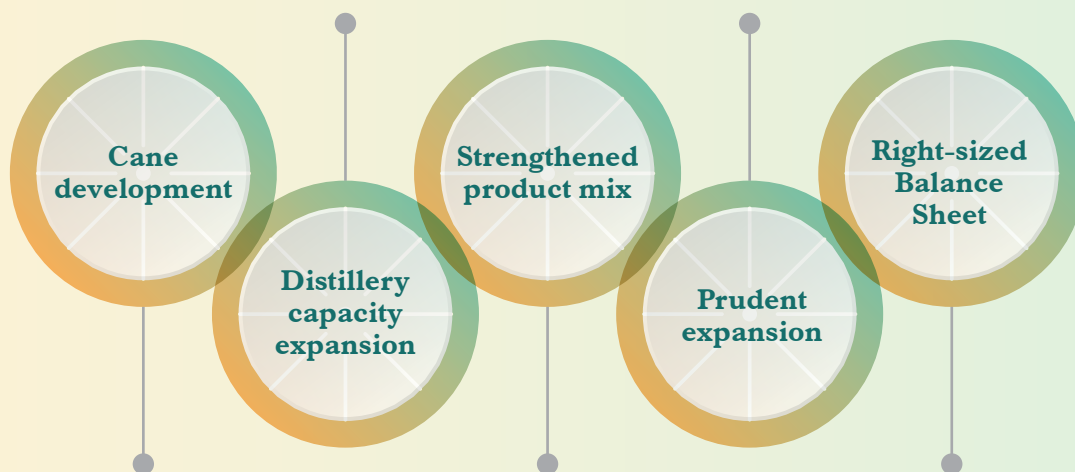


At Dwarikesh, an appreciable increase in ethanol output will be derived through enhanced cane crushing and a larger probable sacrifice of sugar production in favour of ethanol manufacture.



How we strengthened our business in 2022-23

- Operated the existing distillery business (commissioned earlier) at an average 162.5 KLPD.
- Serviced the need of all oil marketing companies.
- Commissioned a second distillery (175 KLPD) involving an outlay of ₹232 crore.
- 20% of the investment was generated from accruals.
- 80% of the outlay was generated from concessional government debt.



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

- Consciously sacrificed sugar output for incremental ethanol output.
- Use of juice during season and use of B-heavy molasses during off season in SS 2022-23.
- Reduced molasses sales; increased captive consumption.

- Repaid ₹50.27 crore debt in 2022-23.
- Year-end gearing was at an attractive 0.38.
- Low average debt cost of 4.60%.



The distinctive Dwarikesh culture

What employees have to say about working at their company



Two years ago, a pulley in one of our pumps was accidentally damaged by a fitter. The situation was escalated. In most companies, the fitter would have been summoned and dressed down with words like 'laaparwahi'. Dwarikesh responded with a difference: it addressed the reality with an understanding that the fitter had only tried his best in the circumstances; it implemented measures to prevent a recurrence. The result: there were no pointing of fingers or bad blood. What happened remarkably was enhanced worker morale after this incident. There was a feeling that *'Management apne nazariye se dekh raha hai'*."

Himanshu Dabas, Officer
(Maintenance)



Dwarikesh has been my employer for 26 years. *Saari zindagi de di is company ko*. Reason? Recently, an employee encountered a tumour. The Company provided him free medical treatment. There are some other things that make Dwarikesh a humane company: the Company established a hospital to provide medical care to employees and their families; it established a school to educate the children of employees; it covers employees and family members with insurance up to ₹4 lakhs. How many companies will do this?"

Raj Pal Singh, Daftari, Personnel department



Before Dwarikesh, I worked in a government sugar mill in Haryana. The big transition in shifting to Dwarikesh was in the improved educational standards for my children. Even through RR Morarka School launched by Dwarikesh is rural in location, the educational standard is urban. The result is that my son is now a Chartered Accountant and my daughter completed her PhD. We made the best decision to move to Dwarikesh even though we had no inkling that this would take our next generation ahead. This one decision has not just done good for my career but for that of my children as well!"

Adesh Kumar, Officer, Boiling House



Two years ago, when my wife suffered a brain injury due to a bike accident and needed to be treated immediately, I was provided timely financial help by the Company. My wife was in the hospital for over a month. During that period, the Chairman and other operational heads regularly checked on her health. The result: I did not have to worry about my family's food or security - the Dwarikesh living quarters comprised a canteen and 24x7 security. Even as I have officially retired, I am working on an extension because the Company makes it possible to work without stress."

Deepak Kumar Jhauhari, Plant Operator



In 2018, a mill equipment jammed; our team (Automation) was blamed. We did a fair check and informed our heads that there was no issue from our end. The heads of department asked us to state the exact failure cause - the technical reason for the malfunction, without pointing fingers. The bottomline: no one needed to be blamed and the heads of department assumed collective responsibility. It indicated the maturity of the organisation."

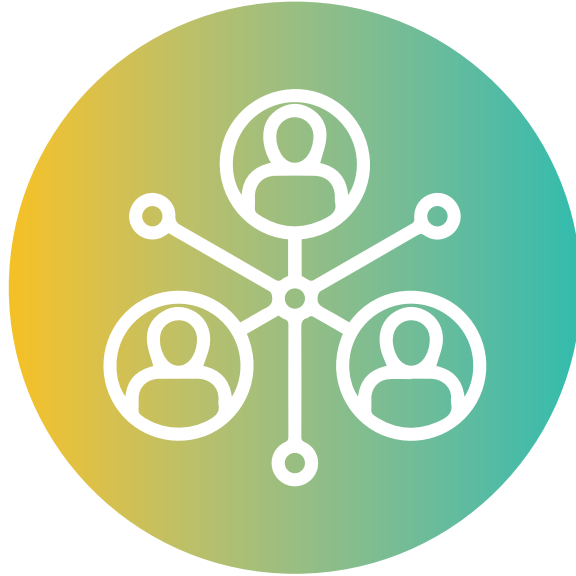
Virendra Singh, Assistant Manager (Automation)



PART FOUR

**HOW WE HAVE
ENHANCED
VALUE AT
DWARIKESH**

ENHANCING
STAKEHOLDER VALUE



How we have enhanced value for stakeholders for more than quarter of a century (1996-2023)

Overview

Stakeholder value creation is an index by which modern-day companies are appraised. This measure covers every individual and sentient being likely to be impacted by the Company's operations.

The Integrated Value Creation Report draws on diverse corporate realities (financial, management commentary,

governance, remuneration and sustainability reporting) and expresses the outcomes in a unified format.

Besides, the format enhances an understanding of how value is enhanced for diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers).



Dwarikesh: Enhancing value in a sustainable way

Reinvested net worth in growing the Company

- The Company reinvested its accruals, moderating the role of short-term debt for working capital
- A rebalanced debt-equity ratio is enhancing interest cover and liquidity
- The Company invested in capex programmes with attractively short paybacks
- The greater the shift towards ethanol, the more the Company will be run with net worth

Balanced resource integration

- The Company invested in the downstream utilisation of by-products arising from cane crushing
- The Company invested in capacity balancing (downstream capacities matched with cane resource availability)
- The Company did not procure or sell resources (without value-addition), indicating optimal RoCE
- The Company maximised resource utilisation, strengthening asset and financial efficiency

Strengthened cane availability and quality

- The Company commissioned cane crushing capacities in cane-abundant regions
- Cane suppliers were remunerated ahead of specified schedule, strengthening farmer cash flows
- The Company encouraged farmers to switch to disease-resistant and high yielding cane varieties
- The Company procured ₹10,321 crore of cane in the decade ending March 31, 2023 (since season 2012-13 up to 31-03-2023) and ₹1,323 crore of cane in FY23



Widened cane development

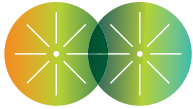
- The Company engaged in extensive cane development
- It incentivised the planting of additional cane within its command areas
- It provided crop nutrients and cane seeds at subsidised costs
- It proactively embarked on replacing legacy cane varieties attracting disease to new variants

Enhancing profitable distillery operations

- The Company invested disproportionately in ethanol manufacture (over sugar)
- The Company produced ethanol from cane syrup (over B-Heavy molasses) during season
- The Company sacrificed some sugar production to enhance ethanol output
- The Company increased the proportion of revenues derived from ethanol manufacture

Highest operational efficiency

- The Company replaced manual processes with digital technologies
- It empowered workers to take informed decisions
- It reported among the highest sugar recoveries in Uttar Pradesh
- It ramped new capacity (distillery) to peak utilisation within days of commissioning



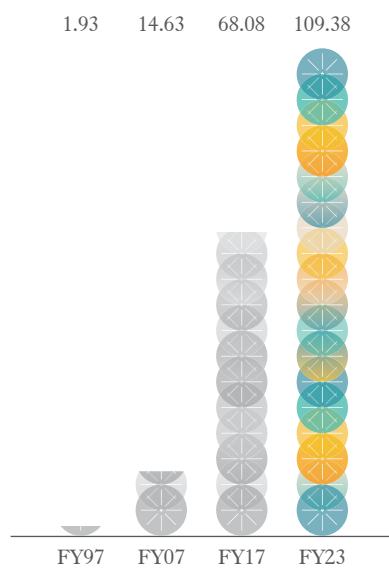
Our value enhancement blueprint



Strategic focus	Vendor focus	Customer focus	Community focus	Shareholder focus	Employee focus	Government focus
<p>Key enablers</p> <p>Dwarikesh has a growing need for cane.</p> <p>The Company's multi-business operation provides a stable long-term procurement platform.</p> <p>The Company remunerates farmers ahead of schedule and provides subsidised seeds (high yielding varieties) and pesticides.</p>	<p>Dwarikesh remains a product provider of choice on account of superior quality and quantity servicing capability.</p> <p>The Company invested in modern processing and testing infrastructure.</p> <p>The Company was respected for carrying out timely expansions that serviced the growing procurement appetite of its buyers.</p>	<p>Dwarikesh is engaged in education, women's empowerment, agriculture, skill development, environment, social awareness and health care initiatives.</p> <p>It invested ₹1.19 crore in CSR spending (2022-23).</p>	<p>Dwarikesh emphasised governance, operational excellence, cost leadership and information transparency.</p> <p>It grew non-sugar revenues, strengthening margins.</p> <p>It moderated debt to a gearing of 0.38 as on March 31, 2023.</p>	<p>Dwarikesh is a stable employer of more than 780 permanent non-seasonal talents.</p> <p>Its practices are marked by delegation, empowerment, trust and accountability.</p> <p>Most of the Company's employees, operations and procurement were rural.</p> <p>Around 5.58% of the revenue was paid out as employee remuneration.</p>	<p>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.</p> <p>It paid ₹26.54 crore to the exchequer (direct taxes) in 2022-23.</p> <p>Its policies are aligned with national policies.</p>	
<p>Material issues / addressed</p>	<p>Engaging with farmers and advising them on the use of modern agri-technologies and building stakeholder trust.</p>	<p>Manufacturing the highest standard of products delivered on time, strengthening dependability.</p>	<p>Engaging with sensitivity and professionalism in addressing unmet social needs.</p>	<p>Investing in a business approach that enhances long-term viability, Balance Sheet strength and robust performance across market cycles.</p>	<p>Creating a professional cum passionate culture, marked by prudent recruitment, training, career path, retention and a culture of excellence.</p>	<p>Working with a strong compliance culture, addressing statutory dues and obligation and helping build a stronger nation.</p>



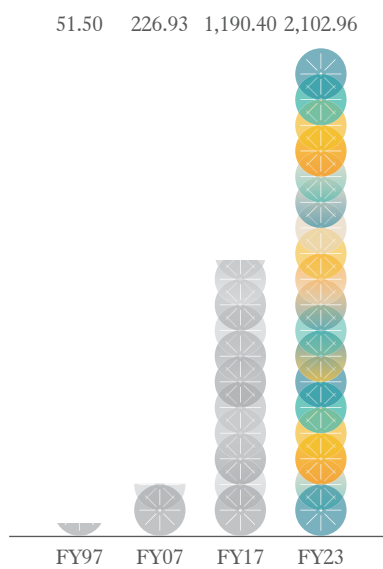
Employee value (₹ crore)



Employee value

The Company has consistently increased employee remuneration, fulfilling its commitment as a responsible employer.

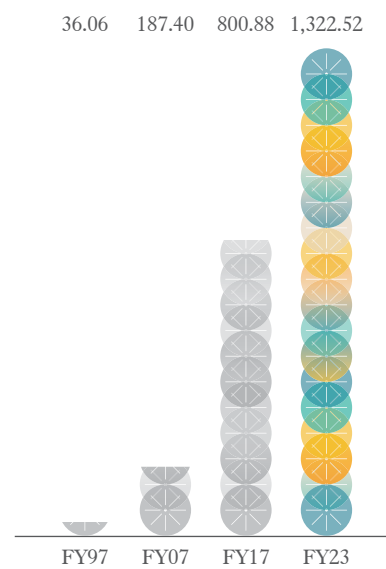
Revenues (₹ crore)



Customer value

The Company has generated higher revenues, enhancing the value created for customers.

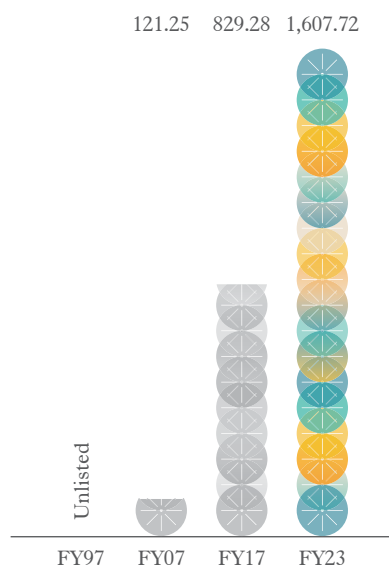
Cane procurement (₹ crore)



Vendor (farmer) value

The Company has widened its offering of cane resources, strengthening procurement economies.

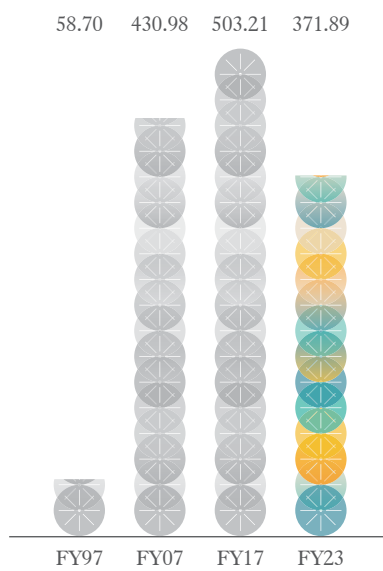
Market capitalisation (₹ crore)



Shareholder value

The Company enhanced shareholder value through a mix of sound business strategy, accruals reinvestment, value chain leveraging and cost management.

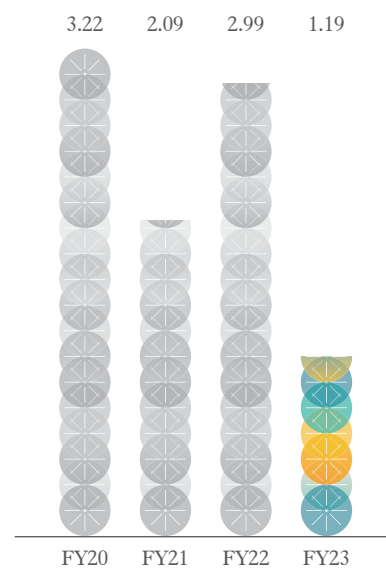
Loans (₹ crore)



Loan value

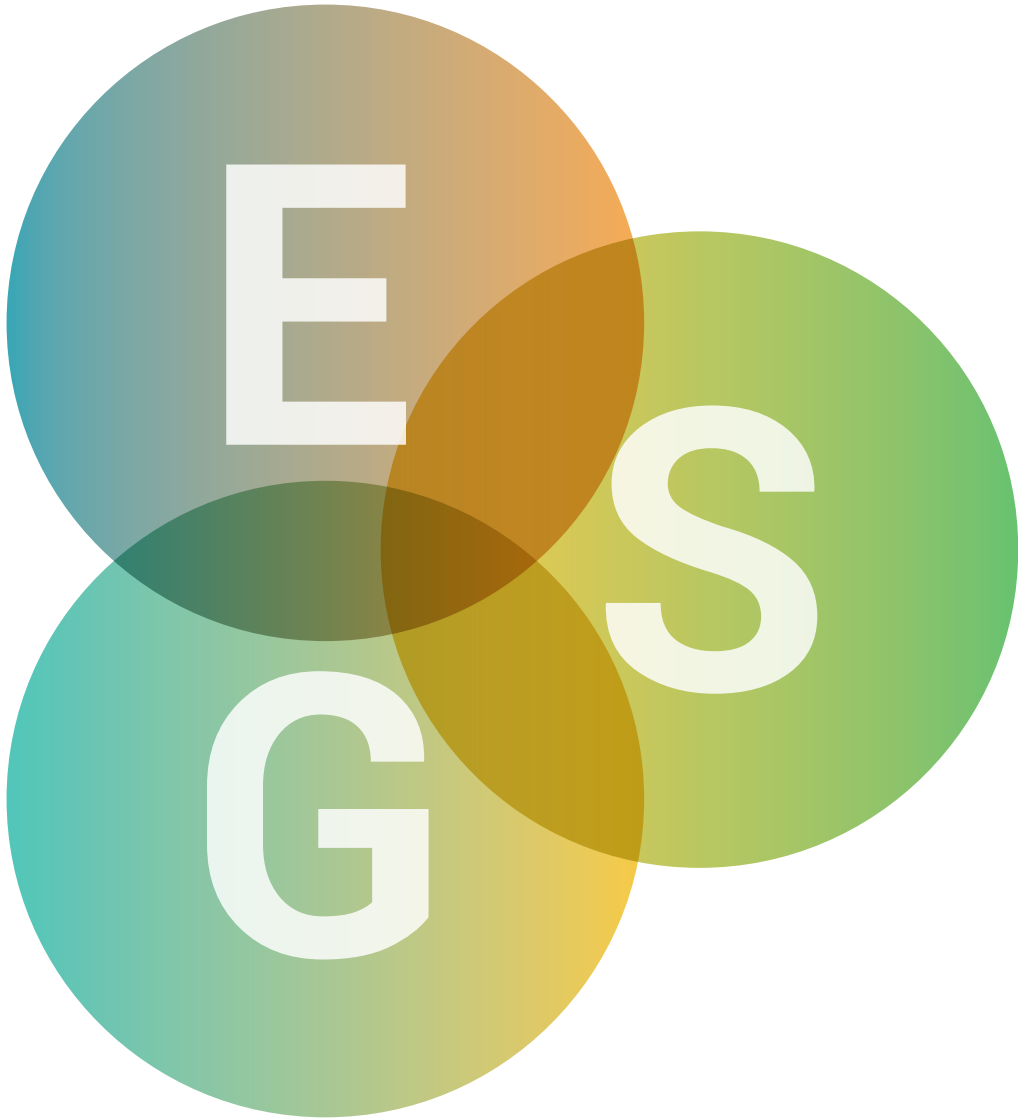
The Company evoked trust among debt providers to provide funds for asset creation and working capital.

CSR investment (₹ crore)



Community value

The Company has invested in a complement of various programmes and enriched communities in the geographies of its presence. As permitted under the law, excess amount spent in earlier years was set off in FY 2023.



Dwarikesh and ESG

How the Company is aligned around the demanding standards of a progressive world



Overview

There is a greater premium on long-term sustainability over one-off profitability, which acquires a significant overtone in the sugar sector. In future, companies will be appraised more comprehensively on the basis of their ESG discipline, which will consider not just cash flows and margins but also the quantum of resources being recycled, extent of talent training and retention, stability of the vendor eco-system, extent of renewable energy in the energy mix, moderation in carbon footprint and safety of operations for employees and peripheral communities.

At Dwarikesh, we state in unambiguous terms: ESG lies at the heart of our existence. We will continue to invest in state-of-the-art automated manufacturing equipment; we are driven by information technology that provides us with data for informed decision-making; we are systems and process-driven that moderates our excessive dependence on individuals but places them on systems instead; our biggest insurance is a culture of passionate outperformance.

ESG has never been more relevant than now with governments enhancing the role of renewable energy and clean fuels, enunciating long-term carbon emission policies, raising environment benchmarks and announcing stiff action for transgressors.

Interestingly, there is another reality at play, with markets rewarding companies investing in governance practices and clean technologies with superior valuations, enhanced credit rating and relaxed debt terms.

ESG components

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

Our environment component addresses our commitment towards consuming and manufacturing environmentally responsible or renewable resources, rationalising resource quantities, recycling waste, eliminating fossil fuels and replacing with cleaner alternatives, strengthening the ecology of the locations of our presence and moderating carbon footprint.

Our social component underlines the importance of investments in people, organizational culture, customer relationships and community welfare.

Our governance component articulates strategic clarity, ethical values, conduct codes, Board composition and alignment with UNGC principles.

Global reality

- Geo-political shifts
- Unforeseen climate change developments
- Supply chain bottlenecks
- Governance compromises
- Sweeping digitalisation
- Unforeseen profit volatility
- Higher environmental compliance benchmarks
- Global economic slowdown / recession
- Capital abundance; increased competition

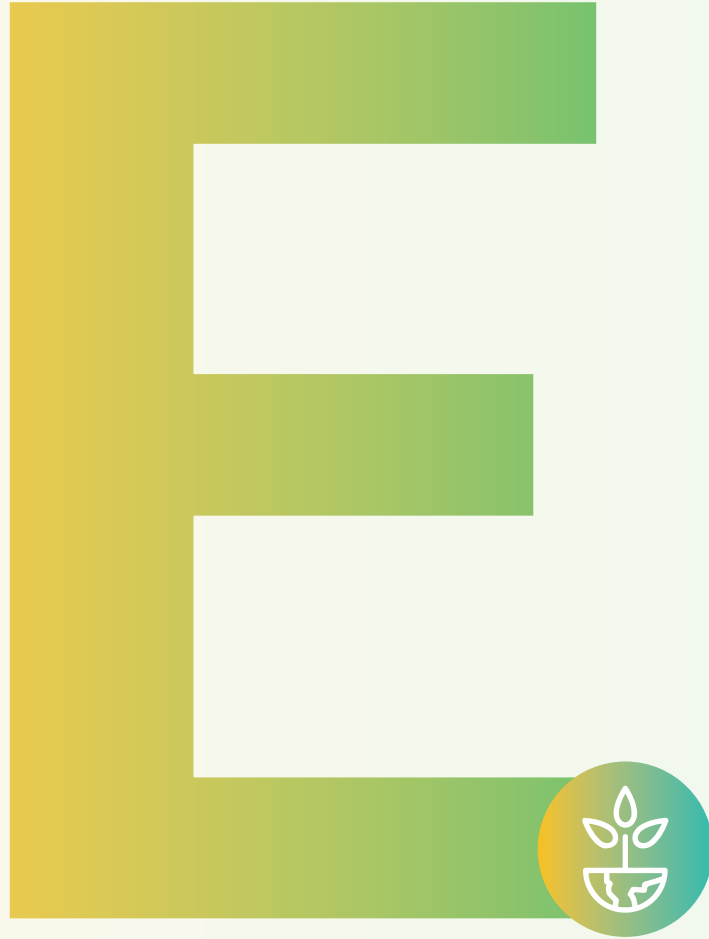
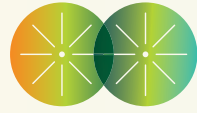


Dwarikesh's response

- ESG framework as a growth platform
- Commitment to enhanced stakeholder value
- Managing with integrity
- Strategic discipline
- Long-term business orientation
- Focus on core competence; no unrelated business
- Investment in holistic Board discipline
- Investing in processes over ad-hocness
- Digitalisation for systemic predictability
- Audit and compliance-driven approach

Dwarikesh's business is aligned with UN's Sustainable Development Goals





The 'E' of our ESG approach (Environment)



Overview

The Company's environment commitment has been enshrined in its Corporate Environment Policy (CEP), outlining standard procedures to ensure compliance with environment laws and regulations. The policy is integral to the Company's objectives as formulated by its Board of Directors, comprising a hierarchical system to address environmental issues. Non-compliances and violations, if any, are reported to Board of Directors, as well as to shareholders and stakeholders. The CEP comprises an Environmental Management Plan, which outlines measures for mitigating and monitoring the impact of the Company's activities on the environment. The EMP is based on evaluations of environmental impacts and baseline conditions, designed to prevent or moderate adverse environment impacts.

The Company is committed to moderate carbon footprint through the increasing use of clean processes. It is committed to eliminating landfilling waste and effluents discharge while rationalising water consumption intensity per unit of the end produce.

The Company strengthened waste management processes, systems and technologies; it mobilised resources proximate to its manufacturing facilities, rationalising transportation costs and carbon footprint.

The Company has enhanced its environment protection through the following initiatives:


Emissions: The Company invested in a cutting-edge bag filter technology to treat boiler flue gas, addressing the

complete requirements defined by Ministry of Environment and Forests. This has enhanced environmental protection, employee awareness, moderated emissions and advanced technology investments.

Zero liquid discharge: The Company invested in advanced technologies at its distilleries to treat effluents and protect air quality. The effluent treatment unit utilizes continuous distillation under vacuum to reduce spent wash to 8 KL per KL of alcohol produced; the spent wash is concentrated in a multi-effect evaporator and the resulting slop is used as boiler fuel. The result: zero liquid discharge from distilleries, reinforcing our environment responsibility.

Water treatment: The Company installed effluent treatment plants to ensure that the water coming out of our factories is clean and pollution-free and meets the stipulated norms by the pollution control authorities. The Company set up a distillery with the objective of eventually manufacturing absolute alcohol / gasohol. The gasohol can be conveniently blended with conventional petrol and used for running vehicles. The emission on usage of gasohol is least polluting and making it an extremely environment friendly option.

Renewable energy initiative: The Company generated renewable (co-generated) power. During 2022-23, it consumed 1,549 lakh units within and marketed 1,470 lakh units to the state electricity grid. The Company switched from incandescent lights to LEDs to conserve electricity; it installed solar energy panels in its affiliated R. R. Morarka Public School.



The Company is committed to moderate carbon footprint through the increasing use of clean processes. It is committed to eliminating landfilling waste and effluents discharge while rationalising water consumption intensity per unit of the end produce.

Our environment risks and their counter-measures

The solid waste generated by the Company in its operations comprises waste matter, oil, grease and effluents, in addition to liquids, air and noise. The following is an explanation of how the Company is engaged in comprehensive de-risking.

Corporate

- The Company commissioned the Dwarikesh Dham distillery (with a slop boiler) to moderate fossil fuel use and generate green electricity.
- It installed a condensate polishing unit to clean water for onward reuse in the distillery (reducing ground water extraction).
- It shifted from B-heavy molasses to the use of cane syrup to produce ethanol, generating a higher percentage of ethanol from less natural resources.

Solids

- Boiler ash generated from spent wash incineration boilers is high in potash, granulated for use as a potash fertilizer.
- Sugar effluents are treated and recycled for irrigation use.
- Slop produced from distillery effluent spent wash concentrate is used as a fuel in the boiler.
- Condensate is treated in the condensate polishing units to produce safe and colourless water; the recycled water is used within the process; make-up water is used in the cooling tower and for diluting molasses in the distillery.

Liquids

- The Company reduced ground water withdrawal.
- It reduced steam requirement, conserving fuel.
- It maximised process water recycling, trapping of water and blow down of steam.
- It installed flow meters in major water consumption area (mill house, boiling house boiler, etc.) to reduce freshwater withdrawal.
- It intends to install reverse osmosis on ETP-treated water to reduce ground water withdrawal 60% and proceed towards zero liquid discharge in less than five years.

Green cover

- The Company planted trees extensively.
- It distributed saplings to farmers and public schools.
- It undertook afforestation across all units (planting ~7,000 trees and ~1,00,000 saplings in four years).
- It planted Eucalyptus, Poplar, Teak and Bakain along the boundary and irrigation channels to moderate temperature impact and protect the crop from wild animals.
- It distributed fruit saplings to students and intends to provide 1-1.5 lakh saplings to farmers in the command area.

Energy management

- The Company implemented a 'green' fuel system whereby any incremental energy produced is sold to the grid.
- It aims to decrease energy consumption by investing in energy-efficient equipment.
- It has taken steps to increase efficiency and reduce emissions / effluents through enhanced automation.

Air

- The Company installed an electro-static precipitator, wet scrubbers and bag filters to moderate ambient air pollution through the neutralisation of suspended particulate matter (benchmark below 150 PPM and target below 100 PPM).

Noise

- The Company provided personal protection equipment to its workers.
- It engaged in routine medical checks to monitor worker health.



Distillery unit – Achievements

Treated water: Zero liquid discharge

Stack monitoring with suspended particulate matter of <50 PPM / NM3

Water withdrawal by source (in kl)

Parameter	2022-23 (Current Financial Year)	2021-22 (Previous Financial Year)
Surface water	--	--
Groundwater	12,43,064	8,77,487
Third party water	--	--
Seawater / desalinated water	--	--
Others	--	--
Total volume of water withdrawal (in kl) (i + ii + iii + iv + v)	12,43,064	8,77,487
Total volume of water consumption (in kl)		
Water intensity per rupee of turnover (Water consumed / turnover)	0.059	0.041

*Dwarikesh Dham manufacturing unit has taken steps towards value addition by installing a distillery. This initiative resulted in an increase in water withdrawal in FY22-23, since it requires a specific amount of water to function effectively.

Air emissions during the year under review

Parameter	Please specify unit	2022-23 (Current financial year)	2021-22 (Previous financial year)
1. Sugar unit, Dwarikesh Nagar			
NOx	Mg/nm3	7.1	8.1
Sox	Mg/nm3	3.2	4.6
Particulate Matter (PM)	Mg/nm3	73.26	111.96
Others- Carbon Mono oxide (CO)	Mg/nm3	0.20	0.16
2. Sugar unit, Dwarikesh Dham			
NOx	Mg/nm3	-	-
Sox	Mg/nm3	-	-
Particulate Matter (PM)	Mg/nm3	54.2	64.9
Others- Carbon Mono oxide (CO)	Mg/nm3	0.16	0.15
3. Sugar unit, Dwarikesh Puram			
NOx	Mg/nm3	-	-
Sox	Mg/nm3	-	-
Particulate Matter (PM)**	Mg/nm3	73.9	86.1
Others- Carbon Mono oxide (CO)	Mg/nm3	0.18	0.16
4. Distillery unit, Dwarikesh Nagar			
NOx	Mg/nm3	69.7	67.6
Sox	Mg/nm3	32.6	30.5
Particulate Matter (PM)	Mg/nm3	45.8	37.6
Others- Carbon Mono oxide (CO)	Mg/nm3	0.21	0.20
5. Distillery unit, Dwarikesh Dham			
NOx	Mg/nm3	84.6	-
Sox	Mg/nm3	52.4	-
Particulate Matter (PM)	Mg/nm3	46.1	-
Others- Carbon Mono oxide (CO)	Mg/nm3	0.22	-

Note: There are no Persistent Organic Pollutants (POP), Volatile organic pollutants (VOC) and Hazardous Air Pollutants (HAP) emitted.

Greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity

Parameter	Unit	2022-23 (Current Financial Year)	2021-22 (Previous Financial Year)
Total Scope 1 Emissions* (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2eq/Mwh	11.07	12.85
Total Scope 2 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2eq/Mwh	96.20	72.48
Total Scope 1 and Scope 2 emissions	tCO2eq/Mwh	107.27	85.33
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO2eq/Mwh/ Rupee	0.0005	0.0005

*Scope 1 Emissions are from Dwarikesh Nagar, Dwarikesh Dham, Dwarikesh Puram which depicts the extent of greenhouse gas emissions that are emitted through the Company owned assets.

**Scope 2 Emissions are from our offices at various locations in Delhi, Maharashtra and Uttar Pradesh which captures the greenhouse gas emissions through purchased electricity.

~1,00,000

Green saplings planted in the last four years

~7,000

Trees planted in the last four years

14.38

%, reduction in ground water drawal in five years in sugar units

9.65

%, reduction in steam consumption in five years in sugar units

12

%, increase in green cover in five years

92.31

%, of bagasse consumed for renewable power generation

100

%, of free molasses consumed to produce ethanol (green fuel)



State-of-the-art 175 KLPD DD distillery



Aerial view of sugar plant, DN unit



The 'S' of our ESG approach (Social)



People

At Dwarikesh, we believe that people represent the building block of progress. The more we invest in our people, the quicker our progress and the more sustainable our business. Dwarikesh's people management comprises a structured approach of employee development, safety, leadership development and employee family well-being. Our policies promote operational democracy where employees feel heard and respond with a sense of ownership.

Dwarikesh's HR policy is centred around holistic development and trust building. The average employee age at the Company was 44 at the close of the year under review; the average employee tenure at the Company was more than ten years, positioning the Company as an employee-friendly and growth-oriented workplace.

As a part of our talent management, we select graduates from the DSIL Training Scheme and employ them. We have created a talent succession plan that provides our talent with growth opportunities. We provide housing within our three manufacturing units.

We catalyse all-round development through training, cultural activities, hobby classes and skill development. We publish an annual magazine (Dwarikesh Darpan) to communicate people policies and contributions. We institute suggestion schemes and grievance redressal boxes. We reward employees with annual promotion and increments. We conduct Open House meetings covering workmen and management representatives. We provide cash assistance (Kanya Shagun) on the occasion of an employee daughter's wedding. We award long service awards

during our annual day function to employees associated with us for 25 and 10 years. We conduct an annual sports event for employees and their families.

During the year under review, we raised employee salaries (Basic) by 5 to 6%, which will increase the Company's contribution to Employee Provident Fund, leave encashment and bonus. The overall increase in the cost to the Company was more than 9%. The Company remunerated workers engaged through contractors the same wage as employees covered by Sugar Wage Board. The Company allowed the encashment of medical and casual leaves. The Company will focus on employee retention through various initiatives, including training and development.

We enhanced the safety of our workplace, any aberration in which could lead to consequences like legal action, compensation claims, increased insurance premia, reduced productivity / profitability and reputational damage. In view of this, responsible health and safety practices is fundamental to long-term sustainability.

Our health measures comprised the following:

- Regular vaccination of team members and their families against Hepatitis-B, Typhoid and Covid
- Organization of medical camps in collaboration with super specialty health institutes
- Frequent health check-ups of employees deputed in hazardous work zones
- Equipped medical centres across our units comprising trained professionals and qualified doctors
- Mediclaim insurance policy for

workers (covered by the Wage Board Act) against critical illnesses

- Group personal accident policy for managerial workers

Our safety measures comprise the following:

- Display of safety precautions within our manufacturing units through banners and boards etc.
- Compulsory on-site use of personal protective equipment (PPE)
- Ongoing training on the use of PPEs, material handled and safety precautions
- Mock drill for workers to test safety training effectiveness
- Provision of safety gear to shop floor workers; safety guards on fast-moving machines; toe guards on high platforms with safety grills
- Incorporation of fire safety measures within factories

Our talent management priorities

- Prudent recruitment and selection
- Focused career development
- Emphasis on ethics and values
- Promotion of a distinctive organisational culture
- Creation of a multi-generational workforce
- Creation of a heterogeneous workforce
- Deepened employee communication

Health and safety incidents

2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
9	5	8	10	11	7

Our employee pool (permanent)

2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
1,334	1,349	1,409	1,406	1,414	1,404

Employees by gender

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Male	1,316	1,330	1,391	1,388	1,399	1,389
Female	18	19	18	18	15	15

Employees by age group

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
22-35	258	257	270	292	290	257
36-45	436	445	442	440	447	450
46-60	640	647	697	674	677	697

Employees by educational profile

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Graduates	385	391	425	448	459	470
Masters	45	48	51	56	58	60
Engineers	85	89	93	94	104	106
MBA's	12	11	13	15	17	20
Chartered Accountants	2	2	3	3	3	3

Employee retention (%)

2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
96.63	95.7	95.53	94.81	94.34	90.74

Employee cost as a percentage of total revenues

2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
4.85	6.53	5.90	5.04	4.88	5.58

Employees by tenure

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
More than 5 years (as % of total)	80.25	87.59	84.08	83.99	84.38	80.85



Vendors

This section has been treated under the section related to cane development, providing reader with a comprehensive insight into how we address the interest of our vendors.

The farmer and sugar unit enjoy a symbiotic relationship. The cost of sugarcane supplied by the farmers constitutes nearly 70% of the total cost of producing sugar. Thus, the Company lays a special emphasis on cane development and farmer welfare. Cane developmental efforts are directed towards improvement in the quantity

and quality of sugarcane produced. Efforts towards quantitative development include:

- Prompt payment to farmers for sugarcane supplies.
- Seminar and awareness programs to educate farmers of the latest techniques to improve yield per hectare.
- Free and subsidised distribution of pesticides and fertilizers through the Kisan Sewa Kendras of our sugar mills.
- Watershed management with the help of data assimilation through satellites

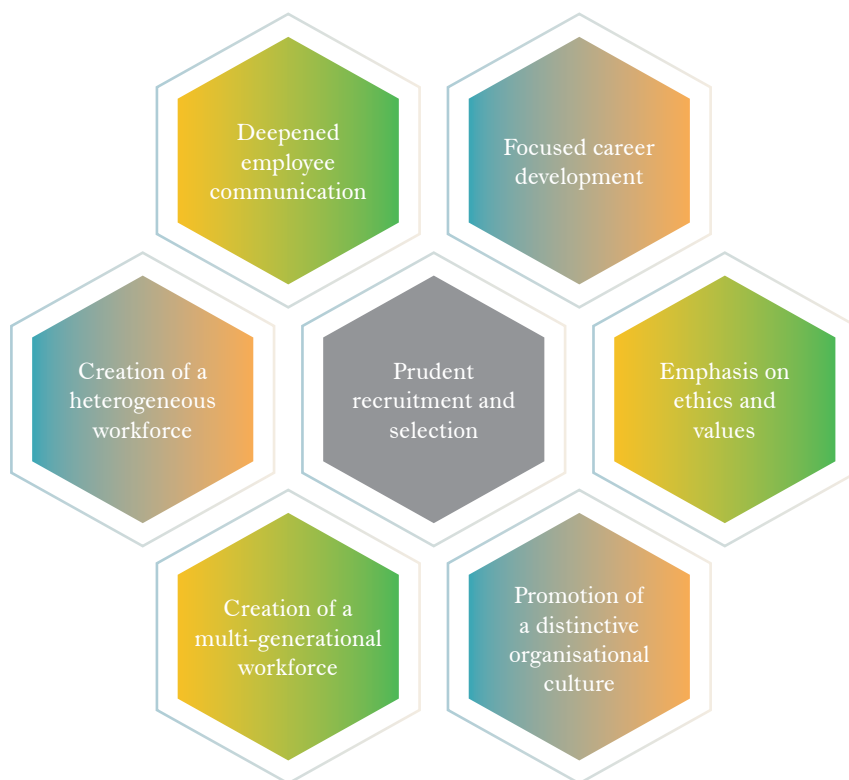
and highly sophisticated equipment

- Land reclamation with the help of satellite data.
- Financial assistance and funds are provided for the raising and maintenance of nurseries.
- Tie-up with various banks for arranging loans at attractive interest rates.

Communities

This segment has been treated under the section related to community social responsibility.

Our talent management priorities





The 'G' of our ESG approach (Governance)



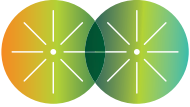
Overview

At Dwarikesh, we prioritize governance as an essential part of our business, providing predictability in how we address challenges and respond to opportunities. Our experienced team leads our three businesses.

We are expanding our distillery to diversify revenues, increase margins and enhance strategic broad-basing. We are committed to use digital technologies to reduce our carbon footprint and conserve natural resources.

Our operations leverage ideal climatic conditions for cane cultivation and we work with over ~1.54 lakh farmers to achieve economies of scale. We prioritize cost management, which has helped us emerge as one of the lowest-cost sugar/ethanol producers in Uttar Pradesh. The Company's concessional debt accounted for 100% of its long-term debt while its working capital debt accounted for only 23.77% of the total debt as on March 31, 2023.

Our environment-protecting assets, processes and practices demonstrate our responsibility. We intend to grow through accruals, which could moderate our debt-equity ratio from 0.28 in 2022-23 and enhance our interest cover from (7.14 and 6.21 in the last two years).



CORPORATE CITIZENSHIP

How we assisted communities in the vicinity of our presence

Overview

At DwariKesh, our Corporate Social Responsibility (CSR) initiatives are guided by a formal policy. This is guided by a dedicated committee and senior management engagement.

We monitor these CSR programmes and report outcomes to the Board of Directors each quarter. We have selected to focus on interventions related to healthcare, infrastructure development, environment, education and farmer welfare. During 2022-23, the Company invested ₹1.19 crore in corporate social responsibility.



Healthcare

The Company extends beyond the provision of free medical assistance; we prioritize the role of education and social awareness. We conducted health camps in Nawalgarh (district Jhunjhunu in Rajasthan). The success of the camps inspired the formation of Sewa Jyoti, which aims to aid the marginalised. Sewa Jyoti supports marginalised students in Jhunjhunu district; it supports the government in family planning camps. It is engaged in free vaccination for children, provides artificial limbs to the disabled, conducts acupressure and acupuncture camps conducted by professionals, organised eye camps and sponsored cataract operations for the marginalised, engaged in blood donation drives and funded blood sugar tests for the needy.





Infrastructure development

The Company launched a programme to strengthen the district's main and link roads, provide welfare services and facilitate sugarcane transportation. The Company adopted village Rajpura, improving existing roads, sanitary facilities and rural hygiene awareness. The Company also plans to launch an FO (fibre optic) and VSAT (very small aperture network) network.

The R R Morarka Charitable Trust constructed a bus stand in Nawalgarh to address the long-standing problem of commuters & travellers. A charitable hospital in Nawalgarh (Jhunjhunu) was also set up, which provides dependable medical facilities at nominal costs.



Education

Sewa Jyoti undertakes the construction of college buildings, hospitals, and various community service centers. One notable endeavor involved the construction of a significant college complex, named after Mr Radheshyam Ramkumar Morarka, who served as the representative for Jhunjhunu in Parliament for several terms. This complex was subsequently transferred to the State Government for ongoing operations. Additionally, Sewa Jyoti built another sizable college complex in Nawalgarh (Jhunjhunu), which was handed over to the Rajasthan Government in March 2019.



Environment

The Company conducted plantation campaigns. The Company's task force planted more than 10,000 trees; it distributed free seedlings and saplings.



PART FIVE



**DRIVERS
OF OUR
EXCELLENCE
JOURNEY**



1. Manufacturing

Overview

At Dwarikesh, we are dedicated to manufacturing excellence, derived through investments in state-of-the-art technologies, operational integration, process efficiency, safety and holistic commitment to quality, translating into responsible practices.

The Company commenced operations at Dwarikesh Nagar (Bundki) in 1995 and expanded to plants in Afzalgarh

and Bareilly thereafter. The Company produces premium sugar crystals, (below 100 ICUMSA) for the domestic market and was the first in Uttar Pradesh to successfully deploy the high-performing CO 0238 cane variety, strengthening farm yields and prosperity.

During the year under review, the Company diverted around 25% of its crushing away from sugar and towards

ethanol production, strengthening margins and liquidity. During the first year of its operation, the entire distillery business operated at its rated capacity. Cane crushing capacity utilisation was on an average more than 90% during the year under review. The Company's operations remained safe and predictable with no compliance violations.

Manufacturing competencies

Technology: The Company's manufacturing units were fully automated around a Distributed Control System, performing better than peers for efficiency and recovery. The Company stayed abreast of technological developments and best practices, investing in best-in-class turbines, boilers and other equipment for superior manufactured outcomes.

Engineering: The Company's engineering team ensures optimum machine performance, making timely modifications to enhance capacity utilisation. The Company's equipment downtime of <2% was one of the best in the sector, partly the result of adequate inventorisation that maximised uptime.

Leadership: The Company's talent pipeline was prepared for leadership roles. It enhanced employee-friendliness through superior holistic remuneration, training and accommodation.

Quality: The Company's superior product quality translated into a product premium, marked by superior taste, colour, fineness for sugar and a complete compliance with chemistry standards for ethanol.

Sustainable: The Company achieved Zero Liquid Discharge through wastewater treatment, saving six litres of water per litre of produced ethanol.

Controls: The Company recorded one of the lowest consumption of chemicals among Uttar Pradesh sugar companies.

Research and development

The Company's R&D focuses on agriculture technology, biotechnology and manufacturing technology to boost output and improve efficiencies.

The Company has a soil-testing laboratory in Dwarikesh Nagar.

The Company treats hybrid seeds at the R&D facility which is then distributed to

the farmers to boost cane productivity.

The Company has a bio-pesticides laboratory to develop bio agents/parasite for crop protection.

Initiatives, FY 2022-23

• The Company diverted 16% of its sugar-dedicated cane crushing towards ethanol manufacture ('sacrifice') from

juice, enhancing systemic profitability.

• The Company exported power to the State grid following complete captive

use, which covered the consumption for sugar and ethanol manufacture during and after the sugar season.

Achievements, FY 2022-23

• The Company produced 8.50 crore litres of ethanol compared to 5.54 crore litres in the previous year.

KLPD distillery in its Faridpur unit to manufacture ethanol.

• The Company switched from the consumption of B-Heavy molasses

to cane syrup during season for ethanol production, which will help its distilleries operate for more than 320 days.

• The Company commissioned a 175

Outlook

The Company plans to enhance crushing capacity at DN unit by adding balancing equipment.

Big numbers

Recovery

11.62

% gross recovery across all three plants (up to March 31, 2023) for SS 2022-23

11.85

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

Sugar sacrifice (in favour of ethanol)

> 1,22,000 > 58,000

MT, sugar sacrificed, SS 2022-23

MT, sugar sacrificed, SS 2021-22

2. Financial management

Overview

During the year under review, Dwarikesh invested in the expansion of its ethanol manufacturing business through the commissioning of a distillery in its Dwarikesh Dham unit. This was done with the objective of enhancing revenues, efficiencies and cashflows, delinking it from the cyclical nature of its predominant sugar business.

Strengths

The Company reversed working capital intensity in its business growth through a prudent recalibration of revenues from sugar to ethanol.

The Company moderated its receivables cycle from 49 days of turnover equivalent to 33 days, strengthening liquidity.

The Company's long-term debt was serviced at an average cost of 4.60%, largely influenced by ₹283.50 crore of concessional debt on its books to be repaid across more than 5 years starting March 31, 2023.

The Company had ₹739.20 crore of net worth on its books as on March 31, 2023 compared with ₹283.50 crore of long-term debt (subsidised).

The Company's interest cover was 6.21 and the same is healthy and factors for availing of the full distillery loan of ₹185.60 crore.

Challenges

The Company was required to pay ₹8.95 crore to the Sugar Wage Board following accounting revisions related to a prior accounting period.

This represented a one-time payment.

The Government raised the levy obligations from 18% to 20% for B-heavy molasses retrospectively for the entire SS 2021-22.

But for this increase, the Company would have supplied additional 10 lakhs litres of ethanol to Oil Marketing Companies.

Highlights, FY 23

The Company's credit rating was upgraded from A+ to AA- following lower working capital needs, increased cane diversion towards ethanol and export prospects. The upgrade reflects a strong financial position of the Company.

The Company's export allotment of 86,001 tonnes was matched by 50,000 tonnes of export, the balance traded in favour of Maharashtra sugar mills. The benefit of this additional release will materialise from April 2023 onwards.

Outlook

The Company expects ethanol to contribute to around 30% of turnover from FY 24, strengthening margins.



3. Cane management and development

Overview

Dwarikesh's existence has been marked by multi-decade farmer relationships that have contributed to abundant cane procurement.

Cane procurement grew at an average of 3.59% per annum in the decade ending SS 2021-2022.

Cane crushing increased 13.56 lakh tonnes over the last ten seasons ending SS 2021-22.

Cumulative cane procurement was ₹9,244.22 crore in the decade ending SS 2021-22.

Cane procurement increased from 0.96 lakh farmers in 2012-13 to an estimated 1.54 lakh farmers in 2022- 23.

The cane cut-to-crush rate within 24 hours was around 70%.

Challenges and counter-initiatives

Red rot was detected in the CO 0238 cane variety, used in 99% of the cane produced in Uttar Pradesh

The Company's command areas in the West of Central U.P. reported negligible cases, compared to Central, Eastern and Western U.P. where the red rot incidence was more prevalent

Some of the Company's command areas depended on monsoonal rain support

The Company invested in boring infrastructure to draw ground water and irrigate command areas

Strengths

The Company capitalises on a rich multi-decade cane growing tradition, ensuring abundant cane availability (FY 23 procurement was 38.28 lakh tonnes). The result is that the Company's command areas have generally delivered a yield of around 41 tonnes per hectare, among the best in Uttar Pradesh.

The command areas are around 21.44 kms from its factories, ensuring a relatively low logistical cost.

The Company possesses a comprehensive cane management system, comprising regulatory

compliances, ongoing dialogue with cane centres, timely cane remuneration and cane inventory management.

The Company possesses a strong farmer vendor network (more than 1.54 lakhs farmers), reinforced by timely remuneration and grievance redressal.

The Company is broad basing its cane mix to moderate an excessive dependence on any one cane variety.

The Company possesses a strong e-Mitra app, which provides a one-stop farmer solution on a range of subjects

The Company possesses a network of trucks that assists in the timely transportation of cane to its factories.

The Company makes extensive use of remote sensing for accurate geological surveys of the command area by using satellite images for enhancement of yield and sugarcane growth.

Nature of engagement

Cane development: The Company introduced the e-Mitra app, which allows farmers to monitor their cane plantation, payment and query resolution, revolutionising farmer engagement. Approximately 1.25 lakh farmers had installed this app until the end of FY 23. The Company trained using digital

media, group meetings and collateral (pamphlets and brochures) to educate on best farming practices, supported by periodic technical field member visits. The Company is experimenting several seed varieties.

Cane marketing: The Company's

centralised location for cane delivery has facilitated cane aggregation; it provides labour and transportation support at its facilities. The Company's video system streamlines operations and updates farmers, ensuring timely cane supply, weighment and payment.

Outlook

The Company will continue to appraise new seed varieties with the objective to moderate its dependence on the CO 0238 cane variety.

Case study

How planning played a vital role in damage control

The red rot disease impacted the CO 0238 cane variety across Uttar Pradesh. The Company noticed traces of this disease in its Central Uttar Pradesh command area. To curb the spread, the Company provided Azaka Duo and Trichoderma (fungus that feeds on red rot fungi) for soil treatment and Thiophenate Methyl for seed treatment at subsidised costs to farmers. This proactive response helped stagger the spread of red rot.

Case study: Our uncompromising commitment to quality

When a new Uttar Pradesh government assumed control, it classified cane into three varieties based on their maturity (early, general and reject). The late maturing variety (reject) was high on production but low on sugar content, sold for ₹2.50 less than the general variety. When farmers began planting the reject variety on account of its tonnage abundance, Dwarikesh announced that it would not procure this variety. An impasse emerged; farmers relented and uprooted the reject variety. The Company offered farmers the early variety at a subsidised cost, creating the foundation of rich and abundant cane growth.

Big numbers

Volume procurement

32.38

MT, quantum of cane crushed, 2017-18

38.21

MT, quantum of cane crushed, 2022-23

Value procurement

1,078.65

₹ crore, value of cane crushed, 2017-18

1,388.02

₹ crore, value of cane crushed, 2022-23



Management Discussion and Analysis

Global economic

Overview: The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal

Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

The global equities, bonds, and crypto assets reported an aggregated value drawdown of US\$ 26 trillion from peak, equivalent to 26% of the global gross domestic product (GDP). In 2022, there was a concurrently unique decline in bond and equity markets; 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10%.

Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4% to US\$ 55.3 billion in April-

December. The decline was even sharper in the case of FDI inflows as equity: these fell 15% to US\$ 36.75 billion between April and December 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023).

The S&P GSCI TR (Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3,495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around US\$ 120 per barrel in June 2022 to US\$ 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	FY2023	FY2022
World output	3.2	6.1
Advanced economies	2.5	5.0
Emerging and developing economies	3.8	6.3

Performance of major economies

United States: Reported GDP growth of 2.1% compared to 5.9% in 2021.

China: GDP growth was 3% in 2022 compared to 8.1% in 2021.

United Kingdom: GDP grew by 4.1%

in 2022 compared to 7.6% in 2021.

Japan: GDP grew 1.7% in 2022 compared to 1.6% in 2021.

Germany: GDP grew 1.8% compared to 2.6% in 2021.

Outlook

The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements

within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK, and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not

result in a recession, and significant developments, including China's progressive departure from its strict zero-Covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by

these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth.

(Source: IMF)

Indian economic overview

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity

market. India's economic growth is estimated at 6.8% in 2022-23. India emerged as the second fastest-growing G20 economy in 2022-23. India overtook UK to become the fifth-largest global

economy. India surpassed China to become the world's most populous nation (Source: IMF, World Bank)

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23E
Real GDP growth (%)	3.7	-6.6%	8.7	6.8

Growth of the Indian economy quarter by quarter, 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.3	4.4	4.9

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the year 2022 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 million metric tons (MMT) in 2022-23 from 107 MMT in the preceding year. Rice production at 132 million metric tonnes (MMT) was almost at par with the previous year. Pulses acreage grew to 31 million hectares from 28 million hectares. Due to a renewed focus, oilseeds area increased 7.31% from 102.36 lakh hectares in 2021-22 to 109.84 lakh hectares in 2022-23.

India's auto industry grew 21% in 2023; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 million units in 2023, crossing 3.2 million

units in 2019. The commercial vehicles segment grew 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

Till the end of Q3FY23, total gross non-performing assets (NPAs) of the banking system fell to 4.5% from 6.5% a year ago. Gross NPA for 2023 was expected to be 4.2% and a further drop is predicted to 3.8% in 2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in 2023 was estimated at 16.5% to US\$ 714 billion as against US\$ 613 billion in 2022. India's merchandise exports were up 6% to US\$ 447 billion in 2023. India's total exports (merchandise and services) in 2023 grew 14 percent to a record of US\$ 775 billion in 2023

and is expected to touch US\$ 900 billion in 2024. Till Q3FY23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to US\$ 18.2 billion, or 2.2% of GDP. India's fiscal deficit was estimated in nominal terms at ~ ₹17.55 lakh crore and 6.4% of GDP for the year ending March 31, 2023. (Source: Ministry of Trade & Commerce)

India's headline foreign direct investment (FDI) numbers rose from US\$ 74.01 billion in 2021 to a record US\$ 84.8 billion in 2021-22, a 14% Y-o-Y increase, till Q3FY23. India recorded a robust US\$ 36.75 billion of FDI. In 2022-23, the government was estimated to have addressed 77% of its disinvestment target (₹50,000 crore against a target of ₹65,000 crore).



India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately US\$ 70 billion in 2022, primarily influenced by rising inflation and interest rates. Starting from US\$ 606.47 billion on April 1, 2022, reserves decreased to US\$ 578.44 billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from ₹75.91 to a US dollar to ₹82.34 by March 31, 2023, driven by a stronger dollar and increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4% in 2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in 2022. As of March 2023, India's unemployment rate was 7.8%.

In 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1% Y-o-Y in RE 2022-23.

The total gross collection for 2023 was ₹18.10 lakh crore, an average of ₹1.51 lakh crore a month and up 22% from

2021-22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 lakh crore. For 2022-23, the government collected ₹16.61 lakh crore in direct taxes, according to data from the Finance Ministry. This amount was 17.6% more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to ₹172,000 during the year under review, a rise of 15.8% over the previous year. India's GDP per capita was 2,320 US\$ (March 2023), close to the magic figure of US\$ 2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3% in 2022-23.

Outlook: There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and appreciable decline in consumer price index inflation to less than 5% in April 2023. India is expected to grow around 6-6.5% (as per various sources) in 2024, catalysed in no small measure by the government's 35% capital expenditure growth by the government. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country

to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in 2022-23 was 10,993 km; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year (Source: IMF).

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP estimate of 6.8% and America and Europe are experiencing its highest inflation in 40 years.

India's production-linked incentive appears to catalyse the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in renewable energy and other sectors and emerging as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions, and slowing external demand.

Union Budget 2023-24 provisions

The Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to ₹10 lakh crores, equivalent to 3.3% of GDP and almost three times the 2019-20 outlay, through various projects like PM Gatishakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing

of Investments. An outlay of ₹5.94 lakh crore was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly ₹20,000 crores was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An outlay of ₹1.97 lakh crore was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate road

construction in 2023-24 by 16-21% to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services.

Global sugar sector review

As per the data published by ISO in February, 2023 in Sugar Season 2022-23, global production is expected to reach 180.431 MT, downgrading from a previous revision of 182.14 MT, due to a number of factors such as unsatisfactory European Union harvest, truncation of the UK beet harvest owing to extremely cold temperatures, snow fall in mid-December and lower sugar yield from India. Global sugar consumption is expected to reach 176.280 MT, owing to an increasing population. According to the latest report by S&P Global, the projected surplus for SS 2022-23 is further trimmed and the sugar production and consumption may be virtually balanced, compared to an estimated surplus of around 1 million tonnes a month ago and an estimated surplus of 3.77 million tonnes a few months ago. This is owing to a reduction in sugar production in Asian countries.

The southern hemisphere harvests extended beyond their usual ending

dates leading to extra supply for the Sugar Season 2022-23 balance; however it did not have a significant impact on global trade flows. The Indian government's reluctance to commit to further export licensing dampened the prospects of export availability for Sugar Season 2022-23.

The faster-than-average drop in the crushing rate in India and Thailand have reduced output expectations from these two countries in the next season as well. There is a 50% probability of El-Nino event in the second half of 2023, which may result in drier weather in Asia and wetter weather in Brazil.

The continued Russia-Ukraine war led to the materialisation of export opportunities for Indian for white sugar. In Sugar Season 2021-22, Indian exports totalled 11.058 million tonnes and an increase in the adjustment for unknown net trade was introduced, with a total of 0.951 million tonnes in 2021-22 and 0.600 million tonnes in 2022-23.

This adjustment will affect import and consumption totals.

Global export availability during the 2022-23 season was revised to 64.548 million tonnes, while import demand increased to 63.863 million tonnes from November 2022's forecast of 61.500 million tonnes. These latest revisions peg the 2022-23 trade surplus forecast at 0.685 million tonnes compared to last year's surplus of 0.404 million tonnes. Brazil, Thai and Indian exports are expected to comprise more than two-thirds of global sugar exports in 2022-23. For the 2022-23 season, there was an estimated reduction in global beet sugar production to around 38.6 million tonnes and an estimated increase in global cane production to 153 million tonnes, with global sugar production reaching 191 million tonnes. However, as the season advances, these numbers are likely to undergo significant downward changes.

(Source: Chinimandi, USDA, Ragus)

World sugar balance

(October/September, in million tonnes)

Regional growth	2022-23	2021-22	Changes	
			In million tonnes	%
Production	180.431	172.526	7.905	4.58
Consumption	176.280	174.773	1.507	0.86
Surplus/deficit	4.151	-2.247		
Import demand	63.863	63.968	-0.105	-0.16
Export availability	64.548	64.372	0.176	0.27
End stocks	103.386	99.920	3.466	3.47
Stocks/consumption ratio in %	58.65	57.170		6.30



Major sugar manufacturing geographies

Brazil: In the first half of February 2023, Brazil processed 73,180 MT of sugarcane, resulting in a negligible sugar production of only 2,360 MT. However, on a cumulative basis, sugar production increased by 4.5% to 33.5 MMT and the sugarcane crush reached 542.47 MMT, a 3.8% increase from the previous year. During the bi-week period, 11 corn ethanol plants were operational and cumulative corn ethanol production increased by 26% compared to the previous year.

The weather was favorable for the growth of sugarcane since the beginning of 2023, resulting in an increase in the estimated availability of sugarcane for the 2023-24 season. The total sugarcane crush is estimated to be 590 MMT, higher than the previous forecast of 581 MMT from a survey conducted in November 2022, while sugar production is expected to reach 36.7 MMT.

There was a marginal decrease in the harvested areas, owing to the switch from sugarcane to soybeans and corn production. There was a marginal change in Brazil's sugar/ethanol production at 45% sugar and 55% ethanol as producers are likely to keep focusing on sugar production.

Despite expectations of a large crop yield in CS Brazil in SS 2022-23, sugar supplies remain limited in the short term. Whereas, production risks linger in North – Northeast Brazil, the upcoming SS 2023-24 is expected to be a season of bumper sugar production for Central South Brazil.

Thailand: The total sugarcane crush for the year could reach 81 MMT, increasing by 7 MMT from the previous

year. There is a possibility of achieving a record high industrial sugar yield of 117 kg per MT of sugarcane for the 2022-23 season, exceeding the current assumption of 114.5 kg per MT. This increase in yield could result in an additional 250,000 to 300,000 metric tonnes of sugar production and a corresponding increase in raw sugar exports for the 2022-23 season.

Cumulative sugar exports from Thailand for the period of October to January reached 1.79 MMT a 3% increase from the previous year. The cane estimate for upcoming SS 2023-24 is expected to be on the lower side.

USA: Estimated sugar production is expected to remain at 8.2 million tonnes; imports could decline 6% to 3.1 million tonnes, based on the anticipated minimum levels under World Trade Organization and free-trade agreements, imports from Mexico, re-exports and high-tier tariff imports. Consumption is expected to remain unchanged, but stocks are expected to decline following a decline in production and imports.

China: China's sugar production was estimated at 4 million tonnes, due to rising cane sugar and beet sugar production. Consumption is expected to rise as COVID-related restrictions ease and imports could taper following high global sugar prices encouraging a drawdown of stocks. These factors suggest a relatively stable sugar market in China. While the numbers are still uncertain, China is expected to remain a dominant sugar importer.

The European Union and the UK: European Union production is expected go down by 329,000 tonnes to 16.2 million as farmers brought down sugar-beet plantings in favour of more lucrative

crops like corn and sunflower. In 2022-23, the EU-27 could import 2 MMT of sugar – the highest in six years, as even imports under the full duty are almost profitable due to high local prices. The lower planted area is expected to translate in to production cut.

Russia: As of 20 February 2023, Russia produced 5.9 MMT of sugar, with only two factories in operation. In comparison, last year's sugar beet processing had already ended by the same time, resulting in a lower sugar production of 470,000 MT. (Source: USDA, Czapp, Chinimandi)

Global sugar realisations

Global raw sugar prices surged and touched a decade high on mounting worries about tight supplies, decline in supplies from Brazil owing to logistical challenges, increased energy prices and successive downward production estimates from India. Prices of sweetener jumped on prospects of limited exports from India and lacklustre supplies from Thailand, Europe, China and Mexico. This led to a strengthening of raw sugar futures beyond 23 cents per pound, the highest in the last many years. White sugar prices moved northwards alongside raw sugar prices, albeit more than commensurately.

Ethanol realisations surged after OPEC reduced output, prompting sugarcane producers to shift to biofuel from sugar. Brazil's new federal government terminated the tax exemption program for gasoline, which increased sugarcane ethanol demand, marked by lower taxes and restricted sweetener supply.

(Source: *The Hindu Business Line, Trading Economics*)

Indian sugar industry overview

According to the first estimate drawn by ISMA, Indian sugar yield was pegged at 36.5 million tonnes during SS 2022-23, after considering sugar sacrifice of 4.5 million tonnes, taking the gross sugar production to nearly 41 million tonnes. However, this estimate further reduced to 34 million tonnes of sugar with a sugar sacrifice level at 4.5 million tonnes, owing to the declining yield and recovery from the States of Maharashtra and Karnataka.

This estimate was downgraded to 33.6 million tonnes of sugar by trade bodies and Government of India, with some independent trade houses expecting the year's yield to remain below the 33 million ton-mark. As per the latest update, ISMA trimmed sugar production estimate to 32.8 million tonnes from the earlier 34 million tonnes. The decrease in tail-end crushing in Maharashtra and Karnataka have lowered the production estimate in Maharashtra to less than 11 million tonnes and less than 5.6 million tonnes respectively. Many mills in Maharashtra and Karnataka concluded their crushing operations even before March 31, 2023 due to lower yields caused by unseasonal rainfall, which led to a lower availability of sugarcane in these two States. This, in turn, could reduce exports, strengthening global sugar realisations and providing Brazil and Thailand an opportunity to address the void created by India.

Under the Maximum Admissible Export Quantity (MAEQ) for SS 2022-23, the

government announced the first tranche of export of 6 million tonnes; out of which around 5 million tonnes was exported. Most of the sugar mills in U.P. traded deals with mills in Maharashtra and swapped their export quotas with domestic quotas. Raw sugar exports decreased year-on-year to Malaysia, Bangladesh, Far East and also the Middle East with a large part of the Indian surplus already exported.

Based on the production data obtained from across the country, the Government has recalibrated its opening stock number for SS 2022-23 at 7 million tonnes, bringing sugar availability for domestic consumption and exports at 40.6 million tonnes. Considering sugar consumption of 27.5 million tonnes and export of 6 million tonnes, the closing sugar inventory is expected to exceed 7 million tonnes, translating into around three months of domestic consumption.

Total Indian acreage under sugarcane was placed at nearly 59 lakh hectares in 2022-23 Sugar Season (SS), 6% higher than the 2021-22 sugar season's cane area of nearly 55 lakh hectares. Sugar consumption was expected to increase on account of the appetite coming from India's largely unorganised catering segment, one of its largest consumers. India's unorganised grocery segment was expected to report positive growth due an increasing population and disposable incomes.

Uttar Pradesh, Maharashtra and

Karnataka accounted for 80% of India's total sugar production. Within India, sugarcane area in Uttar Pradesh was placed at 23.08 lakh hectares compared to 23.01 lakh hectares in SS 2021-22. Cane area in Maharashtra increased to 14.41 lakh hectares in SS 2022- 23 as against 13.50 lakh hectares in the previous year. Sugar production in U.P. was estimated at ~100 lakh tonnes.

Sugar production in Maharashtra was initially estimated at ~124 lakh tonnes in 2022-23 SS after diversion towards ethanol. This estimation is expected to witness a significant downwards revision due to lower yield. Karnataka's sugarcane area marginally increased to 6.5 lakh hectares in SS 2022-23 compared to 5.11 lakh ha in SS 2021-22. The monsoon in 2022 was considered to be above normal, adequate water reservoir levels and standing crop conditions 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 70 lakh tonnes of sugar in the 2022-23 SS (after ethanol diversion). India is expected to retain its position as the largest consumer, one of the largest sugar producers and one of the largest sugar exporters. (Source: Economic Times, apps.fas.usda.gov, Statista, pib.gov))

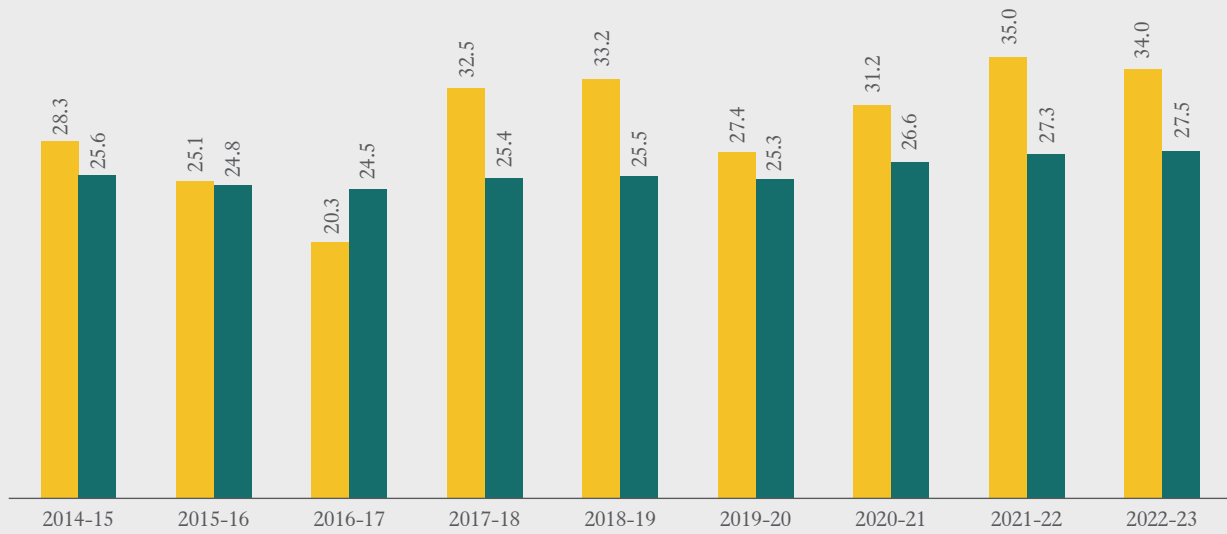
Indian sugar industry Balance Sheet

(In lakh tonnes)

S. No.	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23 (P)
a	Opening Stock as on 1st Oct.	107	146	107	82	55
b	Production during the Season	332	274	312	358	340
c	Imports *	-	-	-	-	-
d	Total Availability	439	420	419	439	395
e	Off-take					
	i) Internal Consumption	255	253	266	273	275
	ii) Exports *	38	60	72	111	62
	Total offtake	293	313	337	384	337
f	Closing Stock as on 30th Sept.	146	107	82	55	59
g	Stock as % of Offtake	57%	42%	31%	20%	21%



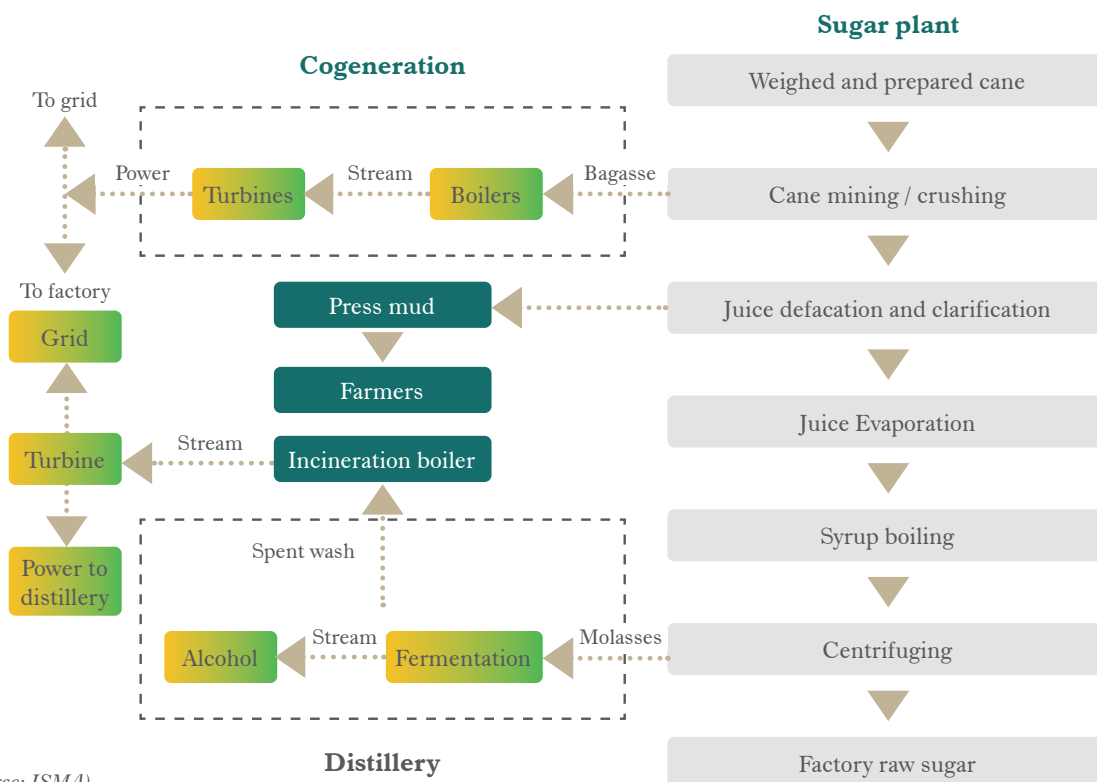
Sugar production and consumption (in million tonnes)



(Source: ISMA and Ventura Research, Reuters.in)

Production Consumption

Sugar and ethanol manufacturing process



(Source: ISMA)

Catalysts of sugar demand in India

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

Exports: There is a growing traction for sugar in developing economies like India, China and Middle East owing to increased disposable incomes, urbanisation and evolving food habits.

Economical alternative: Sugar is the most preferred among other alternatives,

across all socioeconomic age groups, due to its affordability and easy availability across retail formats (convenience stores, departmental stores, supermarkets, hypermarkets, etc.)

Traction in confectionery and snack segment: The volume of Indian confectionery and snack segment (valued at US\$ 110.90 billion) is expected to grow at a CAGR of 7.55% during 2023-27.

Food and beverage demand growth: The food and beverages market size

increased globally from US\$ 6,729.54 billion in 2022 to US\$ 7,221.73 billion in 2023, growing at a compound annual growth rate (CAGR) of 7.3%, catalysing sugar demand.

Diverse applications: Sugar is widely used in the pharmaceutical and skincare industry as well as the manufacturing of scrubs due to its exfoliating properties.

(Source: Macrotrends.net, Statista, Imarc, Businessresearchcompany)

Strengths

- India is the largest sugar producer in the world, can address the needs of its domestic as well as export market.
- The sugar industry is among India's largest agricultural employers.
- The bagasse from sugarcane manufactures co-generated power (captive consumption and merchant sale).
- India enjoys a vast and rich arable land availability.
- India is one of the world's most economical sugar producers.
- The industry supports rural communities

Weaknesses

- Sugar manufacturing technologies used by most companies are obsolete.
- India's plantation white sugar demand is relatively low in global market.
- India relies largely on monsoon rainfall for cane growth.

Opportunities

- Sugar demand is increasing in India due to a population growth.
- There is a large headroom to address the ethanol demand
- There is large headroom for further product diversification

Threats

- The domestic players may be affected by conservatively priced sugar imports.
- The excessive dependence on rainfall and rising transportation costs could impact sugarcane growing.
- Higher production without exports can depreciate sugar realisations

SWOT analysis

Future scope of diversification

Being largely produced in tropical and subtropical regions, sugarcane is widely used for the production of sugar and ethanol.

However, sugarcane has the potential for product diversification through fully or partially unexploited product streams which include:

- Sugarcane trash or straw that remains on fields after mechanised harvest

- Ash from bagasse combustion in cogeneration plants
- Filter cake from sugarcane juice clarification
- Vinasse - the liquid residue post-ethanol distillation
- Biogenic CO₂ emitted during bagasse combustion and ethanol fermentation
- Green power generated by sugar mills can be, in turn, used for producing green hydrogen

By developing innovative cascading processes using these residual biomass fractions, final disposal costs could be significantly reduced, energy output improved, greenhouse gas emissions reduced and sugarcane mills' product portfolio extended. With technologies constantly evolving, there is a high chance that these possibilities may translate into realities in the future.



Uttar Pradesh sugar industry overview

Uttar Pradesh is India's largest sugarcane producer in India, accounting for ~51% of the total cultivated area, ~30% 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 litres per annum. In SS 2022-23, sugarcane area stood at 23.08 lakh hectares compared to 23.01 lakh hectares area in SS 2021-22.

The commencement of SS 2022-23 was delayed by ten days due to incessant and

unseasonal rainfall in October which led to waterlogging of cane fields. This, along with the infestation of red-rot, dented the prospect of improved yields and better recovery. There was no change in the sugar average price for SS 2022-23 which remained ₹350 per quintal for early variety, constituting nearly 90% of the total supply. The cane price arrears for SS 2022-23 decreased to ₹7,500 crore this season, which figure was more than ₹10,000 crore around the same time last year.

The State is expected to produce around 100 lakh tonnes of sugar in SS 2022-23

with most sugar mills in Uttar Pradesh using B-Heavy molasses as a substitute for the conventional C-Heavy molasses following the ethanol blending program by the Central Government. The increase in crush on account of a higher cane area was neutralised by lower yield, lower recovery and a higher diversion of sugarcane for producing ethanol. The season of 2022-23 witnessed aggressive participation of sugar mills in Uttar Pradesh in ethanol blending programs. Many sugar mills used cane juice / syrup directly for the manufacture of ethanol.

Indian ethanol sector overview

Ethanol is a key by-product for integrated sugar mills enjoying downstream applications in oil marketing companies (that blend ethanol with fuel). Sugar plants in India increased ethanol production to 4.6 billion litres in 2022 compared to 3.35 billion litres in 2021. The country imported around 87.3% of its fuel needs and is seeking ways to increase ethanol blending to moderate its dependence on imports. In 2021, the ethanol production capacity in India through molasses-based distilleries was 426 crore litres while that from grain-based distilleries stood at 258 crore litres.

India's fuel ethanol consumption is expected to reach 6 billion litres in the marketing year 2022-23 compared to 4.59 billion litres in the marketing year 2021-22, enhancing blending to 12%.

India's efforts to increase ethanol blending in petrol have multiple benefits such as reducing oil imports, lowering carbon emissions and bolstering sugar mill profitability. The country set a target of 20% ethanol blending with petrol by 2025, which would require around 12 billion litres of installed ethanol production capacity. This includes 6-6.5 billion litres from sugarcane and 5-5.5 billion litres from grain or corn side interventions. Some sugar companies

have already established dual-feed ethanol plants to utilize multiple sources for ethanol production. Improved blending will lead to moderation of sugar production, rationalisation of fuel imports and reduction of carbon footprint.

Against the requirement of 600 crore litres till March 31, 2023, oil marketing companies issued Letter of Intent (LOI) of 502 crore litres and contracts for 499 crore litres were signed for the ESY 2022-23 (December – October). Most of the contracts have been signed by Uttar Pradesh, out of which only 142 crore litres was produced from cane juice. In Sugar Season 2022-23 sugar production sacrificed in favour of ethanol was expected to be over 4 million tonnes compared to 3.2 million tonnes in sugar season 2021-22.

India achieved 12% ethanol blending target around ESY 2022-23, drawing expectations that India could well achieve 20% ethanol blending target even before 2025. This ESY 2022-23 is expected to witness increased supply of ethanol directly sourced from sugarcane juice. Till now, blending of more than 11.56% has been achieved.

The ethanol procurement price for Ethanol Season Year 2022-23 (December

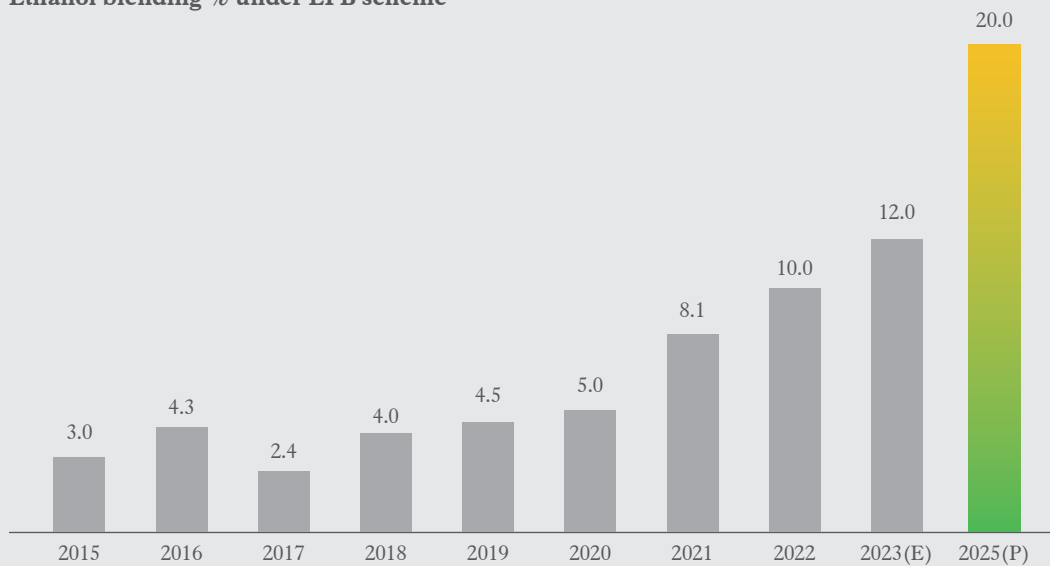
to October) was fixed at ₹49.41 per litre for ethanol made from C-Heavy molasses (increase of ₹2.75 per litre over the price of previous period), ₹60.73 per litre for ethanol made from B-Heavy molasses (increase of ₹1.65 per litre over the price of previous period) and ₹65.61 per litre for ethanol produced directly from sugarcane juice (increase of ₹2.16 per litre over the price of the previous period).

In order to meet the ethanol blending target, the target sugar sacrifice needs to be more than 6 million tonnes. This could close the gap between sugar production and consumption.

The government is going to introduce flex fuel vehicles on a large scale. The early introduction of flex-fuel vehicles will require a higher percentage of ethanol, including running these vehicles on pure ethanol could help achieve 20% blending target.

(Source: Statista, PIB.gov, Times of India)

Ethanol blending % under EPB scheme



(Source: Industry)

(E: Estimated) (P: Projected)

Ethanol realisations per litre (₹)

Ethanol type	ESY20	ESY21	ESY22	ESY23
Direct ethanol	59.48	62.65	63.45	65.61
C-heavy ethanol	43.75	45.69	46.66	49.41
B-heavy ethanol	54.27	57.61	59.08	60.73

(Source: Industry Reports and Ventura Research)

Indian co-generation sector overview

Biomass-based power generation has emerged as a dependable source of energy for India. The country currently has 173 GW energy generation from biomass, owing to the availability of substantial agro-waste, scalable technologies and easy integration into the mainstream power grid. There are projects of 80 GW, which are currently under implementation. India aims to reach a renewable target of 500 GW by 2030.

There is an active effort to reduce the fossil fuel, which is currently 59% in the energy mix. For financial year 2022-23, India is expected to add another 30-35 GW to its renewable mix.

In 2023, the biofuel sector is expected to witness an investment of US\$ 25 billion. Major biofuel producers and consumers like Brazil, India and the United States will collaborate with other interested countries to establish the Global Biofuels Alliance. The primary aim of

the Alliance will be to enhance the usage of sustainable biofuels, especially in the transportation sector, by promoting cooperation and reinforcing markets.

The Alliance will complement and work together with relevant regional and international agencies and initiatives in the bioenergy, bioeconomy and energy transition fields, such as the Clean Energy Ministerial Biofuture Platform.

(Source: PIB.gov.in)



Financial analysis and operational perspective

Sugarcane crushed and sugar produced across three units (2022-23)

Particulars	2022-23	2021-22
Crushing (lakh quintals)	382.13	373.92
Recovery % (gross - adjusted)	11.83	12.09
Recovery % (net)	8.63	10.59
Production (lakh quintals)	32.98	39.60

Note: 2022-23 (1.4.2022 to 31.3.23) includes a minor part of SS 2021-22 and a major part of SS 2022-23

SS 2022-23 vis-a-vis SS 2021-22 across three units

Particulars	2022-23	2021-22
Crushing (lakh quintals)	302.71	298.77
Recovery % (gross - adjusted)	11.62	11.85
Recovery % (net)	8.00	10.31
Production (lakh quintals)	24.02	30.58

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

Operational Highlights, 2022-23

Sugar

- Sugarcane crushing increased by 2.20%
- Gross-adjusted recovery declined 26 bps
- Sugar production moderated on

account of use of cane juice / syrup as feedstock during SS 2022-23 for manufacture of ethanol at the distilleries attached to DN and DD sugar plant

Cogeneration

- Sold 1,470 lakh units valued at ₹4,861 lakhs compared to 1,595 lakh

units valued at ₹5,057 lakhs during 2021-22.

Distillery

- Sold 842 lakh litres of industrial alcohol valued at ₹531 crore compared to 557 lakh litres of industrial alcohol valued at ₹325 crore in 2021-22.

Financial highlights, 2022-23

Particulars	2022-23		2021-22	
	(₹ lakh)	(%)	(₹ lakh)	(%)
Revenue from operations	2,10,296	100.00	1,97,871	100.00
EBITDA	22,857	10.87	29,396	14.86
EBDTA	20,272	9.64	26,230	13.26
EBT	15,251	7.25	21,867	11.05
EAT	10,481	4.98	15,522	7.84

• EBITDA margin during the 2022-23 was 10.87% as compared to 14.86% in the previous year. Lower EBITDA margin was attributable to an increase in the cost of goods sold on account of a higher raw material price and lower recovery without a corresponding increase in the selling price of goods sold

- Registered net profit of ₹10,481 lakhs at margin of 4.98% vis-à-vis ₹15,522 lakh at margin of 7.84% in 2021-22.

Lower EBITDA % as enumerated earlier resulted in a lower net profit percentage, notwithstanding the rationalisation of interest costs

- After continuing with a long-term rating of A+ for 5 years, ICRA, upgraded long-term rating of company's loans to AA- and a revised outlook to 'stable' from 'positive' Short-term loans (commercial paper) were continued at the highest rating of A1+.

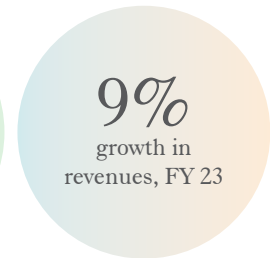
Accounting Policies

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

Our sugar business



Overview

Dwarikesh commissioned its maiden manufacturing facility in Bijnor with a cane crushing capacity of 2,500 tonnes per day in 1995. Over the years, the Company expanded operations, now operating three manufacturing units (two in Bijnor district and one in Bareilly district) with a combined cane crushing capacity of 21,500 tonnes per day as of March 31, 2023.

The Company made prudent investments to improve cane yield, recovery and cost efficiency. The initiatives comprised the superior management of cane inventory, shifting from manual to tractor-mounted loading, connecting with farmers through WhatsApp groups and increasing the use of digital cane supply notices directed

to enhance transaction transparency. Besides, the Company automated its manufacturing interventions, improving efficiencies, moderating losses and optimizing recovery.

Highlights, 2022-23

- Crushed 382.13 lakh quintals of cane in 2022-23 compared to 373.92 lakh quintals of cane in the previous year.
- Net recovery reduced at 8.63% as against a net recovery of 10.59% in 2021-22.
- Gross and adjusted recovery (following the diversion of sugarcane juice / syrup and generation of B-Heavy molasses) was 11.83% compared to 12.09% in 2021-22.
- Following nearly 16% cane diversion

towards ethanol (using cane juice) and generation of B-Heavy molasses across all units, sugar production was 32.98 lakh quintals.

Challenges and responses

The increase in global sugar realisations was not reflected in domestic prices, so the Company increased the share of ethanol in its product mix.

Outlook

Dwarikesh aims to enhance its crushing capacity wherever feasible, improve efficiencies and upgrade to produce refined sugar. Simultaneously the Company is working on a program for varietal replacement of sugarcane grown in its command area for an improvement in gross recoveries

Big numbers





BUSINESS SEGMENT REVIEW

Our distillery operations

18%
of our revenues,
FY 23

64%
growth in
revenues, FY 23

Overview

During the financial year under review, the Company commissioned a 175 KLPD distillery (dedicated to ethanol manufacture) at the Dwarikesh Dham unit in Bareilly. The automated distillery was operated around a distributed control system, overseen by 150 professionals (trained chemists, boiler engineers and graduate engineer trainees, among others).

The plant was commissioned in just 11 months in the face of two pandemic waves. The total investment of ₹232 crore was lower than the industry estimates of ₹250 crore. This commissioning was directed to capitalise on the preferential pricing and shorter working capital cycle of the ethanol business.

Highlights, FY 23

During the year under review, the Company switched from the use of B-Heavy molasses as raw material in ethanol processing at both distilleries during the sugar season to cane juice, which rationalised raw material costs.

Challenges

The second Covid wave resulted in a dearth of labour due to government restrictions.

The Company completed the civil foundation of the distillery (required relatively low labour) by April 2021 and during the lockdown focussed on vendor planning and negotiation. The result was that with the critical construction segment taken care, the commissioning

was smooth. Once the lockdown was lifted, the Company started building a foundation for the boiler (completed in November 2021). The plant was commissioned in June 2022.

Achievements

The new distillery achieved 100% capacity utilisation on the third day of commissioning following which dispatches commenced. The distillery was sustained by captive fuel generation, reducing costs in FY23.

How Dwarikesh's operational discipline enhanced efficiency

The Company embarked on the following initiatives to shrink the distillery commissioning tenure.

Boiler: Accelerated boiler delivery through sustained vendor engagement, which helped shrink the delivery tenure from an estimated twelve months to seven months.

Redundancy: Instead of depending on vendors for heavy engineering equipment, we rented them instead, ensuring timely and consistent availability.

Safety: We worked with vaccinated labourers, enhancing the safety of the operating environment.

The result: The Company commissioned the new distillery in just 11 months, approximately 40% quicker than the prevailing sectorial benchmark.

How Dwarikesh achieved 100% distillery capacity utilisation during its test run

Dwarikesh commissioned its distillery in June 2022 followed by a test run.

The Company utilised the molasses stored in five tanks, saving raw material

and transportation costs. This inventory helped produce 1.06 crore litres of ethanol during the off-season at rated capacity utilisation, starting from three days of commissioning.

The result is that the Company's first ethanol tanker from that unit was dispatched within a few days of commissioning.

Big numbers

326

Revenues earned during 2021-22 (₹ crore)

533

Revenues earned during 2022-23 (₹ crore)

557

Industrial alcohol sold during 2021-22 (lakh litres)

842

Industrial alcohol sold during 2022-23 (lakh litres)

121

EBITDA earned during 2021-22 (₹ crore)

97

EBITDA earned during 2022-23 (₹ crore)

58

Realisation per litre during 2021-22 (₹)

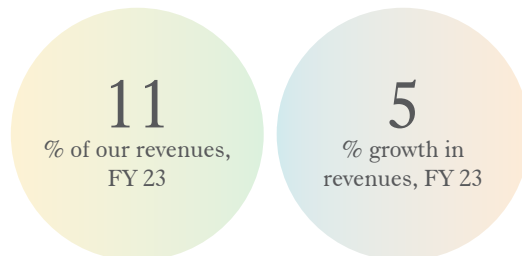
63

Realisation per litre during 2022-23 (₹)



BUSINESS SEGMENT REVIEW

Power segment



Overview

The Company ventured into cogeneration when it commissioned a 6 MW power plant in 1995 using the by-product bagasse. In 2002, the Company grew this capacity to 9 MW and the

cumulative cogeneration capacity was 96 megawatts as on March 31, 2023.

Highlights, FY 23

During the year under review, provided only excess and surplus power (following

captive consumption) to the State power grid on account of declining margins and the requirement of bagasse as fuel for distillery operations.

Big numbers

304 Revenues earned during 2021-22 (₹ crore) <i>(Revenues include internal revenues)</i>	319 Revenues earned during 2022-23 (₹ crore)	3,013 Total production during 2021-22 (lakh units)	3,019 Total production during 2022-23 (lakh units)
3.2 Average realisation during 2021-22 (₹ per unit)	3.3 Average realisation during 2022-23 (₹ per unit)	106 EBITDA earned by this business during 2021-22 (₹ crore)	105 EBITDA earned by this business during 2022-23 (₹ crore)
1,595 Total power sold to the state electricity grid, 2021-22 (lakh units)	1,470 Total power sold to the state electricity grid, 2022-23 (lakh units)	11.95 Contribution to total revenues in 2021-22(%)	10.88 Contribution to total revenues in 2022-23(%)



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

Demand-supply risk: Excessive products supply could moderate realizations.

Mitigation: Dwarikesh has a track record in offering premium sugar, which is lab-tested before it is marketed. The Company enjoys a longstanding goodwill. The Company's ethanol caters to OMCs, addressing an under-met demand appetite.

The Company also exports sugar whenever an opportunity arises.

Raw material availability risk:

Shortage in cane availability could impact sugar production.

Mitigation: The Company's plants are strategically located within the vicinity of abundant cane growing regions of Uttar Pradesh.

Working capital risk: The business demands the upkeep of a large sugar inventory for which adequate working capital is needed.

Mitigation: The Company has expanded its ethanol and co-generation businesses, which has helped moderate working capital outlay on the one hand and enhanced liquidity on the other.

Farmer relationship risk:

Conflicts with farmers could prove to be detrimental to the procurement volume and quality.

Mitigation: The Company compensates farmers with fair and timely remuneration. To promote healthy relationships with farmers the Company educates farmers, offer seeds and insecticides at subsidised rates with other initiatives.

Policy risk: Excessive sugar production and a resultant glut due to increased cane availability.

Mitigation: The Government has granted an export quota of 60 lakh tonnes that will help balance excessive supply and prevent sugar prices from reducing sharply.

The government implemented a minimum selling price (MSP) for sugar to enhance the cash/flows of sugar mills to help enable them pay cane dues on time.

The Government has undertaken initiatives to promote ethanol procurement and has regularly operated a scheme offering loans at a subsidised rate of interest to encourage sugar mills to augment their ethanol capacities and sacrifice sugar production.



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 780 full-time permanent employees. The Company has invested in their personal and professional development through increased empowerment, responsibility and authority.

Talent goals

- Fostering healthy linkages, for consistent improvement in productivity, quality, competitiveness and efficiency.
- Implementing continuous improvements across work areas for greater competitiveness and customer focus.
- Breaking down complex challenges by focusing on major issues and promoting a streamlined organisational structure.
- Practising decentralization across the organization to empower employees and help achieve their potential.

- Introducing the right talent with a positive attitude and potential, irrespective of caste, religion or any other criteria.
- Awarding and recognizing employees on the basis of merit and targets achievement.
- Creating specifications of qualifications and experience customised around different job roles.
- Offering induction and orientation to all employees; sharing the group vision for timely integration with the rest of the Company.
- Associating a sense of belonging, pride and social fulfilment with the Company among the employees.
- Reviewing employee performance, strengths and weakness and providing relevant feedback.

Initiatives undertaken to achieve these goals

- The Company's DSIL Trainee Scheme has nurtured a team of qualified and skilled professionals.
- The Company appraises trainees on a quarterly and half-yearly basis through an HR software and with assessments based on employee performance.
- The Company promoted employee growth by filling vacancies internally.
- The Company's audit policies were reviewed at regular intervals.
- The Company facilitated 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 Founder-promoter of Dwarikesh Sugar Industries Ltd. He is a Commerce Graduate and ICWA inter and is a sugar industry doyen with over 25 years of sectoral experience.
- Executive Chairman of the Company since 1st January, 2019.
- An industry veteran, acknowledged and respected for his statesmanship and business acumen.
- A philanthropist who is recipient of Indira Gandhi Priyadarshini Award for Management, coveted Bhamasha Award (multiple times), Indira Gandhi Sadbhavna Award and Swami Krishnanand Saraswati Purashkar for excellence in social and community service.



K. N. Prithviraj

Independent Director

- He is a brilliant academician and an accomplished former banker.
- He is an Economics graduate from Madras University and also a research scholar in the department of Economics, University of Madras. He has also done his CAIIB (I).
- He last held the distinguished position of Chairman & Managing Director of Oriental Bank of Commerce.
- An Independent Director, on the Board of Dwarikesh Sugar Industries Ltd since 2009.



Nina Chatrath

Independent Director

- She holds a Bachelor of Commerce degree from Delhi University, with additional qualifications in Business Management and Hotel Management. She has over twenty years of business and consulting experience.
- Nina Chatrath is a founder of Enhance Consulting, a boutique Leadership Consulting firm based in New Delhi.
- She was part of the Global Leadership Consulting team in global search firms and worked as a Senior Partner in Heidrick & Struggles, and was also an associate with Korn Ferry, an international management consulting firm.
- She is an Independent Director on the Board of Dwarikesh Sugar Industries Limited since 2017.



Gopal B. Hosur

Independent Director

- He is a retired IPS Officer and has been in public service for the last 36 years and have made stellar contributions in the core area of Law and Order, Crime and in administration of Criminal Justice System.
- He had a 5 years stint as an Advisor with JSW Steel, a large conglomerate in the business of making steel.
- Since 2019 to till date is working as Chief Executive Officer with Chinmaya Mission Hospital, Bangalore.
- He is also President of Karnataka Swimming Association & Sankalpa an organisation to reform convicts.
- He is an independent Director on the board of Dwarikesh Sugar Industries Limited since November, 2020.



Rajan K. Medhekar

Independent Director

- He is a retired 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), India's premier Federal Contingency Special Force to counter- terrorism and anti-hijack operations.
- He has successfully handled sensitive security operations during his illustrious career.
- He is currently the Director General of the International Institute of Security and Safety Management (IISSM), New Delhi, a not-for-profit, ISO 9001:2015 certified training institution with a 30-year track record as a centre of excellence.
- On the Board of Dwarikesh Sugar Industries Limited as an Independent Director since November, 2020.



B. J. Maheshwari

Managing Director & Company Secretary cum Chief Compliance Officer

- He was inducted on the Board from May 01, 2009 and was appointed as Whole-time Director & Company Secretary (CS) & Chief Compliance Officer (CCO).
- He has been associated with Company since 1st October, 1994 and has more than three decades of experience in handling the Company law matters, secretarial matters, listing requirements & compliances, taxation (Direct and Indirect) & legal and administrative matters etc.
- He holds dual professional degrees as a Chartered Accountant and Company Secretary.
- A professional Director who currently holds the position of Managing Director and Company Secretary cum Chief Compliance Officer of the Company.



Vijay S. Banka

Managing Director

- He was inducted in the Board of the Company w.e.f. May 01, 2009, and designated as Whole-time Director & Chief Financial Officer.
- He has been associated with the Company since September, 2007 and has more than three decades of experience in handling finance, treasury and strategy functions.
- He holds the professional degree of a Chartered Accountant.
- A professional Director who currently holds the position of Managing Director of the Company.

Notice

NOTICE is hereby given that the Twenty Ninth (29th) Annual General Meeting of the Company will be held on Friday, June 30, 2023 at 12.30 p.m. at the Registered Office of the Company at Dwarikesh Nagar - 246 762, Dist. Bijnor, Uttar Pradesh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2023 together with the Reports of Board of Directors' and the Auditors' Report thereon.
2. To confirm the payment of Interim Dividend on Equity Shares declared for the financial year 2022-23.
3. To appoint a Director in place of Shri Vijay S. Banka (DIN: 00963355), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To ratify remuneration payable to the Cost Auditors for the Financial Year 2023-24 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 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 1.75 lakhs (Rupees One Lakh Seventy-Five Thousand only) plus taxes as applicable and reimbursement of actual travel and out of pocket expenses to be paid to M/s. Ramanath Iyer & Co., Cost Accountants (Firm Reg. No.000019) Cost Auditors of the Company, for the financial year 2023-24, as approved by the Board of Directors of the Company, be and is hereby ratified.”

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

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

Place : Mumbai
Date : April 27, 2023

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. 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.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member. If a Proxy is appointed for more than fifty Members, the Proxy shall choose any fifty Members and confirm the same to the Company not later than 48 hours before the commencement of the meeting. In case, the Proxy fails to do so, only the first fifty proxies received by the Company shall be considered as valid.
3. Proxies, in order to be effective, should fill in attached proxy form duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / letter of authority, as applicable.
4. Corporate Members intending to send their authorised representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
5. The Register of Members & Share Transfer Books of the Company will be closed from **Saturday, June 24, 2023 to Friday, June 30, 2023 (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.
6. Additional information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Directors seeking appointment / re-appointment at the AGM are furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
7. Members are requested to notify any change in their address immediately to the Company.
8. Members/proxies are requested to bring their copy of Annual Report, while attending the Annual General Meeting.
9. Members are entitled to make nominations 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 Registrar & Transfer Agents (RTA) M/s. Universal Capital Securities Pvt. Ltd.
10. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Registered Office well in advance so that the same reaches the Company at least ten days before the date of the meeting to enable the Management to keep the information required readily available.
11. Members are requested to note that, Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with The Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and subsequent amendments theretodividends 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.
12. Pursuant to the green initiatives by the Ministry of Corporate Affairs, the Company proposes to send all documents to be sent to Members like notices of general meeting together with AGM, Audited Financial Statements, Directors Report, Auditors Report etc. henceforth to the Members in electronic form, to those members who have made available either directly or through their DP their email addresses to receive the same in electronic form on their email addresses. Members may also download these documents from the Company's website www.dwarikesh.com. The physical copy of annual report will also be made available free of cost to the members on their written request. Members who have not given specific consent for receipt of these documents in electronic form hitherto are requested to register their email addresses by sending their details to their Depository participants or Company or its RTA & also their consent by

e-mail to investors@dwarikesh.com or by a written consent to Company's corporate office or to its RTA.

13. 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.
14. 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. A consolidated share certificate will be issued to such Members after making requisite changes.
15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
16. 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.
 - 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, M/s Universal Capital Securities Private Limited ("RTA") for assistance in this regard.
17. 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, Practising Company secretary (FCS No. F-5023 & COP No.4279), 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.

18. A Member can opt for only one mode of voting i.e. either through remote e-voting or in physical form at AGM. If a Member casts his / her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid. 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 in two days of the passing of the Resolutions at the **29th AGM** of the Company and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
19. 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 Central Depository Services Limited (CDSL) as on **Friday, May 26, 2023**.
20. 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, 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.
21. At the 28th AGM held on June 30, 2022 the Members approved appointment of M/s. Mittal Gupta & Co., Chartered Accountants, Kanpur, having ICAI Firm Registration No.01874C as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 33rd AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 29th AGM.



THE INTRUCTIONS OF MEMBERS FOR REMOTE E-VOTING:

STEP 1: ACCESS THROUGH DEPOSITORIES CDSL/ NSDL E-VOTING SYSTEM IN CASE OF INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE.

STEP 2: ACCESS THROUGH CDSL E-VOTING SYSTEM IN CASE OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND NON-INDIVIDUAL SHAREHOLDERS IN DEMAT MODE.

- (i) The voting period begins on **Tuesday, June 27, 2023 at 9.00 a.m.** and ends on **Thursday, June 29, 2023 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 **Friday, June 23, 2023** 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.

STEP 1: ACCESS THROUGH DEPOSITORIES CDSL/ NSDL E-VOTING SYSTEM IN CASE OF INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE.

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 aforesaid SEBI Circular, Login method **for e-voting for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 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.nsd.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. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	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 website for casting your vote during the remote e-voting period.

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 toll free no. 1800 22 55 33
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

STEP 2 : ACCESS THROUGH CDSL E-VOTING SYSTEM IN CASE OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND NON-INDIVIDUAL SHAREHOLDERS IN DEMAT MODE.

(iv) Login method for Remote e-voting for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders module.
- 3) 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.
- 4) Next enter the Image Verification as displayed and Click on Login.



- 5) 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.
- 6) If you are a first-time user follow the steps given below:

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) *Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
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. <ul style="list-style-type: none"> • 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.

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) 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.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant **<Dwarikesh Sugar Industries Limited>** on which you choose to vote.
- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on Click here to print” option on the Voting page.
- (xiv) 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.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **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 will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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.
 - Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at vkmassociates@gmail.com and to the Company at the email address viz; investors@dwarikesh.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 email id.**
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository

Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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 at toll free no. 1800 22 55 33



ANNEXURE TO NOTICE

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

ITEM NO. 4

The Board of Directors of the Company, 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 March 31, 2024 at a remuneration of ₹1,75,000/- p.a. exclusive of travelling, boarding, lodging and out of pocket expenses.

In terms of the provisions of Section 148 of the Companies Act, 2013 (the 'Act') read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an ordinary resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

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.

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

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

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

Place : Mumbai
Date : April 27, 2023

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 Vijay S. Banka
Date of Birth	Tuesday, June 10, 1958
Nationality	Indian
Director since	May 1, 2009
Qualifications	Chartered Accountant
Experience & Expertise	He has more than two decades of experience in handling Finance, Accounts and Treasury Function. Expertise: Finance & Strategy
Shareholding of Directors in Company	Nil
Directorship held in other public companies excluding foreign and private companies	<ul style="list-style-type: none"> • Morarka Finance Limited • Faridpur Sugars Limited
Chairmanship / Memberships of committees*	Chairmanship: (0), Membership: (2)
Relationship between Directors inter-se	NA

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



Directors' Report

Your Directors are pleased to present their 29th (Twenty Ninth) Annual Report along with the Audited Financial Statements for the year ended on March 31, 2023.

FINANCIAL RESULTS

Particulars	(₹ in Lakhs)	
	Year Ended 31.03.2023	Year Ended 31.03.2022
Gross profit before depreciation, interest & tax	22,856.96	29,396.17
Less: Depreciation	5,021.64	4,362.92
Finance Costs	2,584.74	3,165.77
Profit / (Loss) before tax and exceptional items	15,250.58	21,867.48
Profit / (Loss) before tax	15,250.58	21,867.48
Tax expenses	4,769.52	6,345.93
Profit / (Loss) after tax	10,481.06	15,521.55
Total comprehensive income / (loss)	10,416.71	15,557.41

YEAR IN RETROSPECT

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 (FY 2022-23)

Particulars	2022-23	2021-22	Change
Crushing (lakh quintals)	382.13	373.92	2.20%
Recovery % (Gross - adjusted)	11.83	12.09	-2.15%
Recovery % (Net)	8.63	10.59	-18.51%
Production (lakh quintals)	32.98	39.60	-16.72%

Sugarcane crushed and sugar produced during season (FY 2022-23)

Particulars	2022-23	2021-22
Crushing (lakh quintals)	302.71	298.77
Recovery % (Gross - adjusted)	11.62	11.85
Recovery % (Net)	8.00	10.31
Production (lakh quintals)	24.02	30.58

For ongoing crushing season 2021-22 (up to 31st March, 2023) vis-à-vis up to same date in SS 2021-22.

HIGHLIGHTS FY 2022-23

- Sugarcane crushing increased marginally by 2.20% y-o-y.
- Net Recovery stood at 8.63% vis-à-vis net recovery of 10.59% during FY 2021-22. The same is lower by 18.51%. During SS 2022-23 sugarcane juice was for the first time directly used for making ethanol at both DN & DD Distillery units. 60.69 lakh quintals out of total cane crushed was thus diverted for making ethanol. The net recovery was achieved after taking into account the diversion of sugarcane juice / syrup at DN & DD plants and also on account of generation of B heavy molasses at all plants. Gross – adjusted recovery is 11.83% as compared to 12.09% in FY 2021-22.
- Sugar production is also lower on account of aforesaid diversion of sugarcane juice and on account of generation of B heavy molasses across all units. Lower sugar production is also attributable to lower gross – adjusted recovery. During FY 2022-23

sugar production of 12.23 lakh quintals was sacrificed on account of diversion of sugarcane juice for ethanol and on account of generation of B heavy molasses. This was as against sugar sacrifice of 5.61 lakh quintals on account of generation of B heavy molasses during FY 2021-22.

- Lower gross – adjusted recovery is on account of inclement weather conditions, excessive late rainfall in the month of October, 2022 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.
- Notwithstanding the fall in recovery during FY 2022-23, recovery clocked by your Company was yet among the highest in North India.
- Diversion of sugarcane juice for ethanol and generation of B heavy molasses will result in broad-basing & transformation of the production metrics with increased focus on production of ethanol and moderation of sugar production. B heavy molasses generated at DN & DD unit is being stored for use in their respective distilleries during off-season, whereas B heavy molasses generated at DP unit will cater to the requirements of B heavy molasses at the distilleries of DN & DD units after fulfilling obligation to supply B heavy molasses for country liquor purposes.

Performance of cogeneration division: Metrics of power sold:

Unit	FY 2022-23		FY 2021-22	
	Power sold in lakhs Units	Amount (₹ in Lakhs)	Power sold in lakhs Units	Amount (₹ in Lakhs)
DN	258.94	844	284.19	892
DP	578.60	1,918	585.16	1,864
DD	632.50	2,099	725.62	2,301
Total	1,470.04	4,861	1,594.97	5,057

Performance of distillery: During the financial year, 849.61 lakh liters of industrial alcohol (previous FY 553.71 lakh liters) was produced and 841.75 lakh liters (previous year 557.28 lakh liters) of industrial alcohol was sold. A revenue of ₹533.50 crores (previous year ₹326.21 crores) was generated which included revenue of ₹2.17 crores (previous year ₹1.62 crores) from sale of byproducts.

SUGAR INDUSTRY OVERVIEW

Global sugar industry scenario

- According to the March, 23 report of S&P Global ‘Commodity insights’, the projected surplus for SS 2022-23 was expected to moderate at less than one million tons, considerably lower than the erstwhile forecast of 3.77 million tons; This decline was largely due to cuts in sugar production from Asian countries. According to their latest report production estimate is further trimmed and S&P now estimates a virtually balanced position.
- In case of India & Thailand, decline in the crushing rate has been faster than usual. Drop in the output expectations from India & Thailand creates prospective uncertainties. There is also 50% probability of El-Nino event in the second half of 2023 which increases the chances of drier weather in Asia and wetter weather in Brazil. However, Season 2023-24 is expected to be a season of bumper sugar production for Central South Brazil.
- In CS Brazil, despite large crop expected for SS 2023-24 sugar supplies remains muted across the short term. In case of North – Northeast Brazil downside production

risks linger. In Thailand cane estimates for SS 2022-23 and SS 2023-24 are on lower side. In EU production cut on account of lower planted area is forecast. While China could continue to be a dominant sugar importer, its imports could prove unpredictable.

- Global raw sugar prices have been at an all-time high in the last 6 years. Tightened supplies from Brazil attributable to logistic & port related problems and frequent downward revision in production estimates from India have accentuated the price rise. The uncertainty of Government of India allowing further exports has also propelled the price rise. India has emerged as key sugar exporting geography as it played a pivotal role in the export trade in the world. India is seen as a big influencer of Global sugar price. India exported a record of 11.2 million tons of sugar in SS 2021-22. Indian sugar has been largely exported to Indonesia, Bangladesh, Malaysia, Middle east, China among other countries.
- Global sugar prices have been on upward spiral for large parts of the year. Presently NY May’ 23 future price for raw sugar is quoted in excess of 23 cents per pound. Higher energy prices have also lent support to international sugar prices.
- The ongoing war between Russia & Ukraine has also created opportunities for export of white sugar from India. White sugar prices have also moved in tandem with raw sugar prices and are at their 6 years highest. Indian sugar industry and ports have risen to the occasion and have completed their export obligations with consummate ease.



The Indian sugar industry – Consolidation

- Production figure of SS 2021-22 is 35.8 million tons after accounting for sugar sacrifice in favor of ethanol of 3.2 million tons: when factored back India produced nearly 39 million tons. Highest ever sugar exports – During the previous sugar season, India reported its highest sugar exports of 11.2 million tons, reinforcing the country's position as a dominant global player. This export achievement was remarkable considering that they were not supported through subsidies / financial assistance by the Central Government. All logistic challenges at the ports were overcome seamlessly.
 - As per the first estimate drawn by ISMA, it was expected that during SS 2022-23, India will produce 36.5 million tons of sugar after considering sugar sacrifice of 4.5 million tons, taking the gross sugar production to nearly 41 million tons. However, as the season has advanced, with news coming in of declining yield & recovery from the States of Maharashtra & Karnataka, ISMA revised its production estimate to 34 million tons of sugar while maintaining the sugar sacrifice number at 4.5 million tons.
 - However, Trade bodies and Government of India have further announced a downward revision in production estimate and have now estimated the production at 33.6 million tons of sugar. Some independent trade houses believe that the production may in fact settle at less than 33 million tons. As per the latest update, ISMA trims sugar production estimate to 32.8 million tons from earlier 34 million tons.
 - With the sharp reduction in tail end crush in Maharashtra & Karnataka, production estimate in Maharashtra is lowered to less than 11 million tons and in Karnataka lowered to less than 5.6 million tons. Crushing operations of many mills in Maharashtra & Karnataka have concluded even before 31st March, 2023. Lower yields owing to unseasonal rainfall has resulted in lesser availability of sugarcane in these two states. Sugar recoveries in Uttar Pradesh proved lower, offsetting the gains in cane crush.
 - The Government announced first tranche of export of 6 million tons under MAEQ mechanism. Nearly 5 million tons of sugar has already been exported. Most of the sugar mills in UP have traded deals with mills in Maharashtra, swapping their export quotas with domestic quotas.
 - The Government has in the meantime recalibrated its opening stock number for SS 2022-23 at 7 million tons. As per Government of India, sugar availability for domestic consumption & exports is thus estimated at 40.6 million tons. Considering sugar consumption of 27.5 million tons & export of 6 million tons, the closing sugar inventory is now being estimated at more than 7 million tons, which translates to more than 3 months of domestic consumption.
 - There is thus clearly scope for announcing at least one more million ton of sugar export. However, with the production estimates being in a state of flux, the Government may wait for clarity before announcing next tranche of exports.
- However, the delay in announcement of export will limit the ability of Indian sugar mills to produce & export raw sugar.
- During ESY 2021-22 India creditably achieved ethanol blending of 10%. During ESY 2022-23, 12% blending is targeted. Already blending up to 20% is approved by the Government. The proportion of ethanol derived directly from sugarcane juice is expected to increase in ESY 2022-23. India is on course to achieve 20% blending by 1st April 2025. Improved blending will result in moderating of sugar production, improvement in the ability of sugar mills to remunerate farmers on time, rationalizing the import tableau & widening the carbon footprint.
 - Increased blending of ethanol is possible if more & more sugar companies ramp up their distillery capacities and start using cane juice / syrup as feedstock for making ethanol. Ethanol quantity presently offered using cane juice / syrup as feedstock is lesser than quantity of ethanol offered wherein B heavy molasses is used as feedstock.
 - In order to encourage sugar mills to use cane juice / syrup as feedstock the rates presently announced by the Government needs to be improved. More sacrifice of sugar will happen if and only if more sugar mills use cane juice / syrup as feedstock. Industry has been appealing for higher prices for ethanol made from cane juice / syrup directly and it is expected that Government will take an early call on the same.
 - An area of concern has been the lower sugar prices in the domestic market. It is intriguing that the sugar prices have remained flattish throughout FY 2022-23 and have been range bound between ₹3,400 and ₹3,500 per quintal. This is in spite of projected lower closing inventory. Higher international prices have also not found resonance in domestic prices.
 - However, there is a possibility that the premature closure of Maharashtra and Karnataka mills could revive domestic realisations (as could an El Nino likelihood in some global pockets in the second half of 2023).
 - Under the ethanol blending program in the country, against requirement 600 crore liters OMC have till 31st March, 2023 issued LOIs of 502 crore liters and contracts for 499 crore liters have been inked for ESY 2022-23 (December – October). Blending of more than 11.56% has been achieved. State of Uttar Pradesh has been in the forefront in signing ethanol contracts. However, out of 502 crore liters, ethanol produced from sugarcane juice/syrup as feedstock was only 142 crore liters or 28% of the total LOIs issued. There is a growing recognition that for the EBP program to be resoundingly successful, more procurement contracts will need to be signed for cane juice / syrup-based ethanol.
 - There are no two opinions about the success of the Ethanol Blending Program (EBP). Cash flows of sugar companies have improved. In the sugar season of 2021-22, the quantum of sugar production 'sacrificed' in favor of ethanol was 3.2 million tons while in SS 2022-23 this is expected to rise to

more than 4 million tons. In SS 2023-24, a sugar 'sacrifice' of more than 6 million tons could reduce the gap between sugar production and consumption; the surplus sugar then available could be remuneratively exported.

- The government plans to introduce flex fuel vehicles, which can accommodate a higher percentage of ethanol and can even be operated completely on ethanol, a step towards helping the country achieve the 20% blending target.
- The EBP has showcased the Indian government's foresight in addressing longstanding sugar industry challenges. A cash-starved sector that suffered cane arrear delays now has healthy cash flows, making it possible to remunerate farmers punctually and invest in additional distillery capacity. A growing sugar 'sacrifice' is expected to moderate sugar inventory and strengthen realizations, strengthening a virtuous cycle of additional cane planting and mill capacity utilization. The confidence instilled by the ethanol blending program is noteworthy. Sugar inventory across the country stands tapered at reasonable levels. Though there are problems such as lower sugar prices among others, sugar industry doesn't now face insurmountable challenges. However, sickness in the industry is not completely eradicated. Some States do face problems of inadequate cane availability and there are still number of sugar mills operating at sub-optimal capacity.
- Sugar industry across the Globe is regulated and India is no exception. Central Government continues to regulate the industry.

Central Government continues to administer minimum selling price of sugar which is fixed at ₹3,100 per quintal though the industry has been seeking upward revision.

Central Government also operates the monthly release mechanism so as to ensure adequate & affordable sugar availability in the open market.

Central Government announces timely sugar export quotas to enhance sectorial liquidity and ensure better domestic realizations. During the SS 2022-23 the Government has announced maximum allowable export quota (MAEQ) of 6 million tons which has been apportioned across all sugar mills in the country. This was done to ensure a healthy domestic sugar balance between supply and demand, while addressing export needs. The Government dispensed with the export subsidy as international sugar prices remained attractive.

Central Government also determines the annual Fixed & Remunerative price (F&RP). The same is the minimum price which sugar mills must pay for the sugarcane procured by them. Some States went one step further and announce a State Administered Price (SAP) that is higher than F&RP.

Ethanol procurement price for Ethanol Season Year 2022-23 (December to October) is fixed at ₹49.41 per liter for ethanol made from C-Heavy molasses (increase of ₹2.75 per liter over the price of previous period), ₹60.73 per liter for ethanol made from B-Heavy molasses (increase of ₹1.65 per liter over the price of previous period) and ₹65.61 per liter for ethanol produced directly from sugarcane juice (increase of ₹2.16 per liter over the price of previous period). The Government had during ESY 2021-22 also announced 'relief price' to incentivize sugar mills to supply more ethanol during the lean months.

The Uttar Pradesh Sugar Industry – Transformation

- During SS 2022-23 UP State is expected to produce around 10 million tons of sugar, which is in line with the previous Sugar season.
- Gains in crush on account of higher cane area have been neutralized by lower yield, lower recovery and higher diversion of sugarcane for producing ethanol.
- The commencement of season 2022-23 was delayed by over 10 days on account of incessant & unseasonal rainfall during October which has resulted in waterlogging of cane fields. Antagonistic climate conditions and the menace of red-rot, scuttled and dented the prospect of improved yields and better recovery.
- The State Government announced no change in SAP for SS 2022-23 which remained ₹350 per quintal (delivered at factory gate) for early variety, which constitutes nearly 90% of the total supply.
- The season of 2022-23 has witnessed aggressive participation of sugar mills in Uttar Pradesh in ethanol blending programs. Many a sugar mills are using cane juice / syrup directly for manufacture of ethanol.
- The enhanced financial stability of sugar mills in UP enabled these mills to moderate SS 2022-23 cane price arrears to around ₹7,500 crores from more than ₹10,000 crores around the same time in the previous year.
- Many sugar mills have altered their cane mix from the high yielding Co 0238 which was a win-win variety for both farmers and sugar mills. Since the said variety has now become prone to red rot epidemic, the same is now sought to be replaced by other equally good, early maturing & promising varieties.
- UP sugar mills have witnessed moderation of stock levels of sugar, owing to exports in the previous season and also on account of production of ethanol using B heavy molasses and sugarcane juice / syrup.



Dwarikesh – Financial Scorecard:

Particulars	2022-23		2021-22	
	(₹ lakh)	(%)	(₹ lakh)	(%)
Revenue from operations	2,10,296	100.00	1,97,871	100.00
EBITDA	22,857	10.87	29,396	14.86
EBDTA	20,272	9.64	26,230	13.26
EBT	15,251	7.25	21,867	11.05
EAT	10,481	4.98	15,522	7.84

- Revenue from operations during FY 2022-23 is up by 6.28% as compared to the revenue during 2021-22. 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 of ethanol. It is worth mentioning that the share of revenue from distillery segment to the total net revenue is 25.37% as compared to 16.49% in the previous year. Distillery plant at DN unit worked at its rated capacity while the distillery plant at DD unit which was commissioned in June, 2022 also operated for a part of the year at its rated capacity.

 - » **EBIDTA**, during FY 2022-23 is ₹22,857 lakhs as compared to EBIDTA of ₹29,396 lakhs during previous FY, is 22.25% less. Lower EBIDTA as compared to previous FY is on account higher cost of goods sold without commensurate increase in their selling price. Higher cost of goods sold is a reflection of higher raw material cost as well as lower sugar recovery.
 - » **EBDTA**, during the year under review your Company earned EBDTA of ₹20,272 lakhs as compared to ₹26,230 lakhs earned in the previous FY.
 - » **Earning before tax** is at ₹15,251 lakhs when viewed in conjunction with that of the previous FY (₹21,687 lakhs).
 - » **Earnings after tax** is at ₹10,481 lakhs, as compared to the earnings after tax of previous FY of ₹15,522 lakhs. Earnings after tax for the year is 32.47% less 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 compress finance costs.
- The Company has already exported 50,000 MTs of sugar under export policy of SS 2022-23. The raw sugar for export was produced at DN & DD units. The Company has swapped its balance export quota of 36,001 MTs with domestic quota releases of sugar mills in Maharashtra. The Company will benefit from additional releases from April, 2023 onwards.
- The Company utilized sugarcane juice directly for making ethanol at both its DN & DD distillery units. Of the total crushing capacity of 21,500 TCD, approximately 4,500 TCD was utilized for generating juice to be used in the manufacture of ethanol. B-Heavy molasses was generated in all three units, which will be used as ethanol feedstock during the off-season at both distilleries. The operations at both distilleries now stabilised; nearly 11 crore litres of ethanol is likely to be produced and sold to OMCs annually. With substantive sugar 'sacrifice', the sales and revenue mix will transform.
- Rating agency ICRA, has upgraded the long-term rating of the Company to (ICRA)AA- (pronounced as AA minus) from [ICRA]A+ (pronounced ICRA A plus). This is a significant achievement and is recognition of judicious fiscal management of the Company. The outlook has been revised to 'Stable' from 'positive'. The Company has retained the highest rating of A1+ also from ICRA for its CP program of ₹ 300 crores.**
- Your Company continued to pay for sugarcane ahead of schedule. As on 31st March, 2023, your Company had cleared payments for cane purchased up to 27th March 2023.
- Your Company's distilleries (DN and DD units) were operating optimally even as the new DD distillery encountered teething challenges that were subsequently overcome. This resulted in a lower initial ethanol yield from feedstock.
- The fiscal in reckoning was a manifestation of higher cost of goods sold (a combination of higher cane cost & lower recovery) without commensurate increase in sugar realisations.
- Long term debt profile: Out of soft loan of ₹134.48 crores availed under SEFASU 2018, funded by the State Government, balance on 31/3/2023 is ₹33.62 crores and

Salient features:

- According to the latest estimate, crushing will be in line with that in the previous season with all our units expected to report a similar crushing. The Company initiated a program to change its varietal balance in the Dwarikesh Dham unit area. This unit encountered significant drop in the pol-in-cane during this season, indicative of lower sucrose and higher non-sugar content. Your Company's cane development is expected to reverse the trend.

out of distillery term loan availed of ₹116.88 crores for DN distillery unit, balance on the same date is ₹64.28 crores. Term loan of ₹185.60 crores sanctioned for 175 KLPD distillery plant at DD unit has been fully availed and no repayment during the financial year was made as the repayment is under moratorium. All term loans availed by the Company were mobilized at subsidized rate of interest.

- Sugar prices were inexplicably muted & subdued throughout the year and were flattish in the range of ₹3,400 per quintal to ₹3,500 per quintal.
- Your Company is constantly exploring possibilities of revenue optimization, cost rationalization and profit enhancement. Your Company is respected for competent management, translating into outperformance (evident in record recoveries).
- The SS 2022-23 was marked by lower recovery at the DD unit due to a widespread red-rot disease infestation in its command area. The DD unit comprises a vast command area; the unit holds potential for increased crushing and recovery. The Company intensified methodical ratoon management to moderate crop damage and sustain the healthy growth of Co-0238; it also took initiatives to replace this with new early maturing varieties like 15023, 14201 and 118. In command areas not marked by red rot, your Company sustained the health of Co 0238 and will introduce new 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 2021-22 was ₹290 per quintal for SS 2022-23 the same stands increased to ₹305 per quintal again linked to a recovery of 10.25%.
- b. Chronology of SMP/FRP announced by the Central Government on the basis of recovery is given herein under:

Season	SMP/F&RP H/ 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*
2005-06	79.50 [⊗]
2006-07	80.25 [⊗]
2007-08	81.18 [⊗]
2008-09	81.18 [⊗]

Season	SMP/F&RP H/ Quintal
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 [#]
2022-23	305.00 [#]

* 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 crushing season 2021-22 the State Government of Uttar Pradesh increased SAP by Rs. 25 per quintal across all varieties. For SS 2022-23 the Government retained the SAP of SS 2021-22. Early variety of sugarcane, which constitutes more than 90% of the sugarcane supplied by farmers, is now paid Rs. 350 per quintal for delivery at factory gate.

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

The Company commissioned 175 KLPD distillery at its Dwarikesh Dham Unit, Dist. Bareilly, Uttar Pradesh on 24th June 2022. The distillery uses sugarcane juice / syrup as its principal feedstock during the cane crushing season and turns to B Heavy molasses route during the off season for continuous manufacture of ethanol. The implementation of project was on schedule. With the commissioning of this plant the revenue mix of the Company will undergo paradigm shift as the sugar production will moderate and ethanol production increase.

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.

DIVIDEND

Your Directors recommended payment of an interim equity dividend of ₹2/- per equity share (i.e. 200%) on face value of ₹ 1/- per share. The cash outflow on account of equity dividend is ₹37,66,02,940 /-. This interim dividend shall be considered as final dividend for the FY 2022-23.

TRANSFER TO GENERAL RESERVE

As permitted under the provisions of the Companies Act, 2013, the Board does not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for the Financial Year 2022-23 in the profit and loss account.

SHARE CAPITAL

The paid-up Equity Share Capital as at March 31, 2023 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.

₹250 crores worth of commercial paper were issued by the Company during the preceding financial year. Out of the aforementioned sum, ₹150 crores have already been redeemed during previous financial year, and the remaining balance of ₹100 crores have been redeemed during the year.

COPY OF THE ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013, copy of the Annual Returns of the Company in form MGT-7 is placed on the website of the Company and is accessible at the web-link: <https://www.dwarikesh.com>

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met five (5) times during the year on May 02, 2022; July 29, 2022; October 28, 2022; January 30, 2023 and March 20, 2023.

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 at the 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

During the year, Shri B. K. Agarwal (DIN: 00001085) resigned as an Independent Director of the Company w.e.f. October 28, 2022. The Board places on record appreciation for his valuable contribution to the growth of the Company.

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.

As required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the hold at least 1 (one) meeting in a year, without the presence of Non-Independent Directors.

The Independent Directors met once, i.e, on Monday, January 30, 2023. The Meeting was conducted without the presence of the Chairman, Executive Directors and any other Managerial Personnel.

The Independent Directors, inter alia, discussed, and reviewed performance of Non-Independent Directors, the Board as a whole, Chairman of the Company, and assessed the quality, quantity and timeliness of flow of information between the Companies management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

C. Formal Annual Evaluation

Pursuant to the requirements of Section 134(3)(p) of the Companies Act, 2013 read with Regulation 17 of the SEBI 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.

The policy of the Company on directors' appointment and remuneration, as required under sub-section (3) of Section 178 of the Companies Act, 2013, 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

Pursuant to the requirements under Section 134, sub-section 3(c) and sub-section 5 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that: 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.

Companies CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. The brief outline of the CSR policy of the Company and the initiatives undertaken 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, in compliance with the provisions of Section 177 of the Act and Regulation 22 of the Listing Regulations, 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.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

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. Mittal Gupta & Co., Chartered Accountants having Firm Reg. No. 01874C, Kanpur were appointed as the Statutory Auditors of the Company at the AGM held on June 30, 2022, to hold office until conclusion of the 33rd AGM. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written

confirmation from M/s. Mittal Gupta & Co., that their appointment is made in conformity with the limits specified in the said Section.

The Auditors' Report for the financial year ended March, 2023 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, 2023.

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, 2022 did not contain any qualification, reservation, adverse remark or disclaimer. The Cost Audit Report for the year end March, 2023 shall be made available by Cost Auditors on or before September 30, 2023.

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, 2023. 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 AND SUSTAINABILITY REPORT

SEBI, vide its circular dated May 10, 2021, made BRSR mandatory for the top 1,000 listed companies (by market capitalization) from fiscal 2023, while disclosure was voluntary for fiscal 2022 .

DSIL believes that we are accountable not merely to our shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholder. Hence, to comply with BRSR requirements in professional manner Company has appointed an external agency viz. PricewaterhouseCoopers (PWC). The BRSR disclosures form a part of Annual Report 2022-23. 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

Place : Mumbai
Date : April 27, 2023

BJ Maheshwari
Managing Director & CS cum CCO
(DIN: 00002075)

Vijay S Banka
Managing Director
(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

- DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS : **NOT APPLICABLE.**
- DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

(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/- and other reimbursement of ₹1,17,613/- paid for the year ended 31 st March, 2023 with clause of increasing the same at an interval of 1 year.
(e) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any:	Nil

(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 31 st March, 2023.
(e) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any:	Nil

(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/- and other reimbursement of ₹4,05,443/- paid for the year ended 31 st March, 2023 with clause of increasing the same at an interval of 1 year.
(e) Date(s) of approval by the Board, if any:	--
(f) Amount paid as advances, if any:	Nil

(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 31 st March, 2022.
(e) Date(s) of approval by the Board, if any:	--
(f) Amount paid as advances, if any:	Nil

(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 ₹54,87,000/- for the year ended 31 st March, 2023.
(e) Date(s) of approval by the Board, if any:	--
(f) Amount paid as advances, if any:	Nil

(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 ₹49,77,094/- (excluding Company's contribution to PF ₹2,37,510/- paid for the year ended 31 st March, 2023.
(e) Date(s) of approval by the Board, if any:	--
(f) Amount paid as advances, if any:	Nil

(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 ₹65,68,812/- for the year ended 31 st March, 2023.
(e) Date(s) of approval by the Board, if any:	--
(f) Amount paid as advances, if any:	Nil

On behalf of the Board of Director

Place : Mumbai
Date : April 27, 2023

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

Vijay S Banka
Managing Director
(DIN: 00963355)



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) i) 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	141.45:1
Shri Vijay S. Banka	Managing Director	26.34:1
Shri B. J. Maheshwari	Managing Director & CS cum CCO	26.42:1
Shri B. K. Agarwal (Ceased w.e.f. Oct. 28, 2022)	Independent Director	0.73:1
Shri K. N. Prithviraj	Independent Director	0.88:1
Ms. Nina Chatrath	Independent Director	0.86:1
Shri Gopal B. Hosur	Independent Director	0.86:1
Shri Rajan K. Medhekar	Independent Director	0.86:1

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

- i. **Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2022-23:**

Name of Director	Designation	Percentage increase/(decrease) in remuneration
Shri G. R. Morarka	Executive Chairman	19.77%
Shri Vijay S. Banka	Managing Director	7.79%
Shri B. J. Maheshwari	Managing Director & CS cum CCO	7.93%
Shri Sunil Kumar Goel	Chief Financial Officer (CFO)	13.56%

- ii. **Percentage increase in median remuneration of employee in the financial year 2022-23:**

There is increase of **20.50%** in median remuneration of employees during the current accounting year of 12 months over the previous accounting period consisting of 12 months. The increase is considered to be reasonable.

- iii. **Permanent employees**

As on 31st March, 2023, the Company has on its payroll **780** permanent employees excluding seasonal employees.

- iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: There is an increase of **10.11%** in average amongst **employees** & increase of **7.86%** in managerial remuneration of **Managing Directors** & increase of **19.77%** 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.

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

B) Particulars of employees as required under section 197(12) of the companies act, 2013 read with rule 5(2) of the companies (appointment and remuneration of managerial personnel) rules, 2014

The information in respect of employees of the Company pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is provided in separate annexure forming part of this report. In terms of section 136(1) of the Companies Act, 2013 and the rules made thereunder, the Report and Accounts are being sent to the Shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office or by way of email at investors@dwarikesh.com any time before the date of such Annual General Meeting wherein financial statements for the financial year 2022-23 are proposed to be adopted by shareholders and such particulars shall be made available by the Company within three days from the date of receipt of such request from shareholders. In case of request received even after the date of completion of Annual General Meeting, such particulars shall be made available to the shareholders within seven days from the date of receipt of such request.

On behalf of the Board of Director

Place : Mumbai
Date : April 27, 2023

BJ Maheshwari
Managing Director & CS cum CCO
(DIN: 00002075)

Vijay S Banka
Managing Director
(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 its trust R.R. Morarka Charitable Trust, which is a registered trust. There has always been main interest in Children Education which has led to the establishment of R R Morarka Public School at Bijnor and also of 2 colleges viz Shri R R Morarka Rajkiya Mahavidhyalaya ,both at Nawalgarh & Jhunjhunu respectively at Rajasthan, which are successfully built & handed over to the State Government for running .

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:

In view of the resignation of Shri B. K. Agarwal (DIN: 00001085) as an Independent Director of the Company w.e.f. October 28, 2022 the board has reconstituted the Committee as given below and elected Shri. K. N. Prithviraj (DIN: 00115317) as the Chairperson.

(FY : 2022-23)

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 K. N. Prithviraj	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.	Ms. Nina Chatrath	Non-Executive Independent Director	4	4
6.	Shri Gopal B. Hosur	Non-Executive Independent Director	4	4
7.	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 executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the Company as per section 135(5): ₹ 13723.22 Lakhs
 (b) Two percent of average net profit of the Company as per Section 135(5): ₹ 274.46 Lakhs
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 (d) Amount required to be set off for the financial year, if any: ₹ 212.81 Lakhs
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 61.65 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 119.46 Lakhs
 (b) Amount spent in Administrative Overheads: NIL
 (c) Amount spent on Impact Assessment: Not Applicable
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 119.46 Lakhs
 (e) CSR amount spent or unspent for the financial year:

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

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5)	274.46
(ii)	Total CSR obligation for the financial year 2022-23	61.65*
(iii)	Total amount spent for the Financial Year	119.46
(iv)	Excess amount spent for the financial year [(iii)-(ii)]	57.81
(v)	Surplus arising out of the CSR projects or program or activities of the previous financial years, if any	NIL
(vi)	Amount available for set off in succeeding financial years[(iv)-(v)]	57.81

* This excludes an amount of ₹ 212.81 Lakhs, being the amount set-off in FY 2022-23 from the excess amount spent of the preceding financial year.

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-



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

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

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

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

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

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

A responsibility statement of the CSR Committee:

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

On behalf of the Board of Director

Place : Mumbai
Date : April 27, 2023

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

K N Prithviraj
Chairman of the CSR Committee
(DIN: 00115317)

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 Executive 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 **March 31, 2023**, the Board consisted of 7 Directors as follows:

Name of the Director	Category	No. of other Directorship in other Companies @	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 K. N. Prithviraj	Non-Executive Independent Director	0	-	–	–
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	1	0	–	–

@ 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	Non-Executive 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	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 March 31, 2023 5 (Five) Board Meetings were held: May 02, 2022; July 29, 2022; October 28, 2022; January 30, 2023 and March 20, 2023. 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 June 30, 2022
Shri G. R. Morarka	5	Yes
Shri B. K. Agarwal (Ceased w.e.f. Oct. 28, 2022)	3	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	Yes

Inter-se relationship:

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

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 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

Number of shares held by Non- Executive Directors:

The Non-Executive Directors of the Company do not hold any shares in the Company.

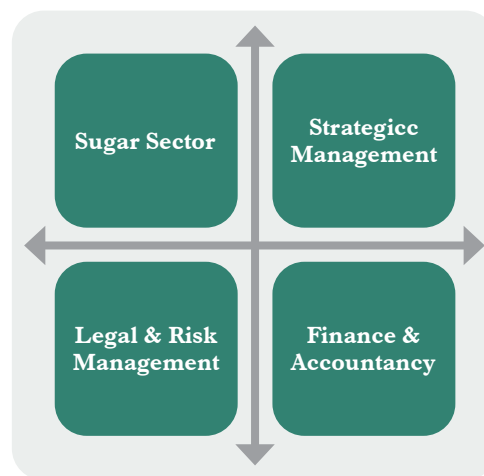
Familiarization Program:

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/Familiarisation%20Programme%20for%20Independent%20Directors%20\(amended%2020.03.2023\).pdf](https://www.dwarikesh.com/Familiarisation%20Programme%20for%20Independent%20Directors%20(amended%2020.03.2023).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.

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 Shri B. K. Agarwal ji had resigned w.e.f. 28th October, 2022 due to personal reasons and there was no other material reason for resignation.

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 January 13, 2001. The Composition of committee is represented below. All members are eminent in their field and also financially literate. In view of resignation of Shri B. K. Agarwal (DIN: 00001085) as Independent Director of the Company w.e.f. October 28, 2022 the board has reconstituted the Committee and elected Shri K. N. Prithviraj (DIN: 00115317) as Chairperson of the Committee. The Ex-Chairman Shri B. K. Agarwal of 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:

- oversight the Company's financial reporting procedure and the disclosure of its financial information.
- to examine the Financial Statement and the Auditor's Report on it.
- recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- to review and monitor the Auditor's independence and performance, effectiveness of the audit process.
- approval or any subsequent modification of the transactions of the Company with related parties.
- to scrutinize inter corporate loans and investments.
- valuation of undertakings or assets of the Company, wherever it is necessary.

- to evaluate the Internal Financial Controls and Risk Management System.
- to monitor the end use of funds raised through public offers and related matters.
- 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 March 31, 2023:

1.	Shri K. N. Prithviraj	(Chairperson)	Non-Executive Independent Director
2.	Shri Vijay S. Banka	(Member)	Managing Director
3.	Ms. Nina Chatrath	(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 March 31, 2023, Four (4) Audit Committee Meetings were held: May 02, 2022; July 29, 2022; October 28, 2022 and January 30, 2023.

Name of the Directors	No of meeting attended
Shri Vijay S. Banka	4
Shri K. N. Prithviraj	4
Shri B. K. Agarwal (Ceased w.e.f. Oct. 28, 2022)	3
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 October 22, 2001. In view of resignation of Shri B. K. Agarwal (DIN: 00001085) as Independent Director of the Company w.e.f. October 28, 2022, the board has reconstituted the Committee and elected Shri K. N. Prithviraj (DIN: 00115317) as Chairperson of Committee. The Composition of committee is represented below:

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 March 31, 2023.

1.	Shri K. N. Prithviraj	(Chairperson)	Non-Executive Independent Director
2.	Ms. Nina Chathrath	(Member)	Non-Executive Independent Director
3.	Shri Gopal B. Hosur	(Member)	Non-Executive Independent Director
4.	Shri Rajan K. Medhekar	(Member)	Non-Executive Independent Director

Meeting and Attendance:

During the year ended March 31, 2023, Three (3) Nomination and Remuneration Committee meetings were held: May 02, 2022; October 28, 2022 and January 30, 2023.

Name of the Directors	No of meeting attended
Shri B. K. Agarwal (Ceased w.e.f. Oct. 28, 2022)	2
Shri K. N. Prithviraj	3
Ms. Nina Chathrath	3
Shri Gopal B. Hosur	3
Shri Rajan K. Medhekar	3

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 March 17, 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.

In view of resignation of Shri B. K. Agarwal (DIN: 00001085) as Independent Director of the Company w.e.f. October 28, 2022, the board has reconstituted the Committee and elected Shri K. N. Prithviraj (DIN: 00115317) as Chairman of Committee. The Composition of Committee is listed below including the Chairman 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 March 31, 2023:

1.	Shri K. N. Prithviraj	(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 Chathrath	(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

The role of the Stakeholders Relationship Committee shall, inter-alia, include the following:

- To consider and resolve investors grievances or shareholders grievances.
- To appoint Registrars and Share Transfer Agent.
- To transfer, transmit, consolidate, issue duplicate share certificates, split share certificates, etc.
- To consider and resolve complaints of Shareholders regarding non-receipt of Annual Report and non- receipt of Declared dividend etc.
- 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.
- 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 March 31, 2023 Four (4) Stakeholders Relationship Committee meetings were held : May 02, 2022; July 29, 2022; October 28, 2022 and January 30, 2023.

Name of the Directors	No of meeting attended
Shri B. K. Agarwal (Ceased w.e.f. Oct. 28, 2022)	3
Shri K. N. Prithviraj	4
Shri Vijay S. Banka	4
Shri B. J. Maheshwari	4
Ms. Nina Chatrath	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 30, 2022.

Complaints & Share Transfer:

During the year ended March 31, 2023 no complaints were received. 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 August 13, 2014 so as to assist the Board in discharging 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.

In view of resignation of Shri B. K. Agarwal (DIN: 00001085) as Independent Director of the Company w.e.f. October 28, 2022, the board has reconstituted the Committee and elected Shri K. N. Prithviraj (DIN: 00115317) as Chairman of the Committee. It consists of seven members, out of which four are Non-Executive Independent Directors including the Chairman of the Committee, namely Shri K. N. Prithviraj, and three are Executive Directors of the Company.

Composition:

1.	Shri K. N. Prithviraj	(Chairperson)	Non-Executive Independent Director
2.	Shri G. R. Morarka	(Member)	Executive Chairman
3.	Shri Vijay S. Banka	(Member)	Managing Director
4.	Shri B. J. Maheshwari	(Member)	Managing Director & CS cum CCO
5.	Ms. Nina Chatrath	(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

Meeting and Attendance

During the year ended March 31, 2023, Four (4) Corporate Social Responsibility Committee meetings were held : May 02, 2022; July 29, 2022; October 28, 2022 and January 30, 2023.

Name of the Directors	No of meeting attended
Shri B. K. Agarwal (Ceased w.e.f. Oct. 28, 2022)	3
Shri K. N. Prithviraj	4
Shri Vijay S. Banka	4
Shri B. J. Maheshwari	4
Shri G. R. Morarka	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.

In view of resignation of Shri B. K. Agarwal (DIN: 00001085) as Independent Director of the Company w.e.f. October 28, 2022, the board has reconstituted the Committee and elected Shri K. N. Prithviraj (DIN: 00115317) as Chairman of the Committee. The committee is comprising of two Executive Directors & one Non-Executive Independent Director.

1.	Shri K. N. Prithviraj	(Chairperson)	Non-Executive Independent Director
2.	Shri G. R. Morarka	(Member)	Executive Chairman
3.	Shri B. J. Maheshwari	(Member)	Managing Director & CS cum CCO

Objectives and responsibilities of the Committee:

The primary objectives of the Committee are to assist the Board in the following:

- To assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of various risks;
- To periodically assess risks to the effective execution of business strategy by reviewing key leading indicators in this regard;
- 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;
- 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 March 31, 2023, Two (2) meetings were held : May 02, 2022 and January 30, 2023.

Name of the Directors	No of meeting attended
Shri K. N. Prithviraj (appointed on committee w.e.f. Oct. 28, 2023)	1
Shri B. K. Agarwal (Ceased w.e.f. Oct. 28, 2022)	1
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 March 31, 2023 are provided below:

A. EXECUTIVE DIRECTORS:

Based on the performance evaluation and as per the recommendation of the Nomination & Remuneration Committee, Shri G. R. Morarka (DIN: 00002078) Whole Time Director designated as Executive Chairman of the Company was re-appointed for a further period of five years with effect from January 01, 2022 on such terms and conditions as the Board may deem fit.

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	253.99
Ex Gratia & Interim Bonus	20.00
Leave Encashment	-
Commission	-
Total	273.99
Company's Contribution to P.F. (exempted allowance)	6.86

2. Remuneration to Executive Chairman

Particulars	(₹ in lakhs)
Salary	240.00
Other Allowances	-
Gratuity	-
Leave Salary	-
Commission	500.00
Interim Bonus	-
Total	740.00
Company's Contribution to P.F. (exempted allowance)	2.45

- 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:

Name of the Director	(₹ in lakhs)		
	Sitting fees	Commission Payable	Total Payments paid / Payable in 2022-23
Shri B. K. Agarwal (Ceased w.e.f. Oct. 28, 2022)	3.80	---	3.80
Shri K. N. Prithviraj	4.60	---	4.60
Ms. Nina Chatrath	4.50	---	4.50
Shri Gopal B. Hosur	4.50	---	4.50
Shri Rajan K. Medhekar	4.50	---	4.50

- Shri K. N. Prithviraj, Ms. Nina Chatrath & Shri Gopal B. Hosur Independent Non-Executive Directors of the Company, have a term of appointment of five years.
- They were paid sitting fees of ₹ 60,000/- for attending every meeting of Board of Directors of the Company and ₹10,000/- for attending every Committee Meeting of the Company.
- None of the Non-Executive Directors of the Company had any pecuniary relationship or transactions vis- à-vis the Company.

Notes:

- There is no notice period for Directors of the Company.
- No stock options have been granted to any Directors of the Company.
- Severance fees is nil.
- 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
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
2021-22	June 30, 2022	Conducted through VC	11.30 a.m.	AGM

Special resolutions passed in General Meetings during last 3 years:

Date	Particulars
August 11, 2020	<p>a. To re-appoint Shri K. N. Prithviraj as Independent Director of the Company.</p> <p>b. To re-appoint Ms. Nina Chatrath as Independent Director of the Company appointed in casual vacancy of Ms. Malathi Mohan.</p> <p>c. To re-appoint Shri B. K. Agarwal as Independent Director of the Company.</p> <p>d. Alteration of remuneration of Ms. Priyanka G. Morarka holding office or place of profit, as President (Corporate Affairs).</p>
July 20, 2021	No Special Resolution was passed.
June 30, 2022	a. To fix remuneration of Shri G. R. Morarka (DIN: 00002078), Whole Time Director designated as Executive Chairman of the Company

Details of Special Resolution Passed through Postal Ballot

No Special Resolution was passed through postal ballot for year ended March 31, 2023 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	29 th Annual General Meeting
Date, Time and Venue	Friday, 30 th June, 2023 at 12.30 p.m. at Dwarikesh Nagar - 246 762, District: Bijnore, Uttar Pradesh
Financial Calendar Particulars (April - March) (tentative and subject to change)	The financial year of the Company is from April 1 to March 31 every year
First Quarter Results	On or before August 14, 2023
Second Quarter Results	On or before November 14, 2023
Third Quarter Results	On or before February 14, 2024
Last Quarter Results	On or before May 30, 2024
Dates of Book Closure	Saturday, June 24, 2023 to Friday, June 30, 2023 (both days inclusive).
Dividend Payment Date	No Final Dividend was declared for FY. 2022-23
Listing Details	As mentioned below



The details of the Stock Exchanges on which the Company's shares are listed are as under:

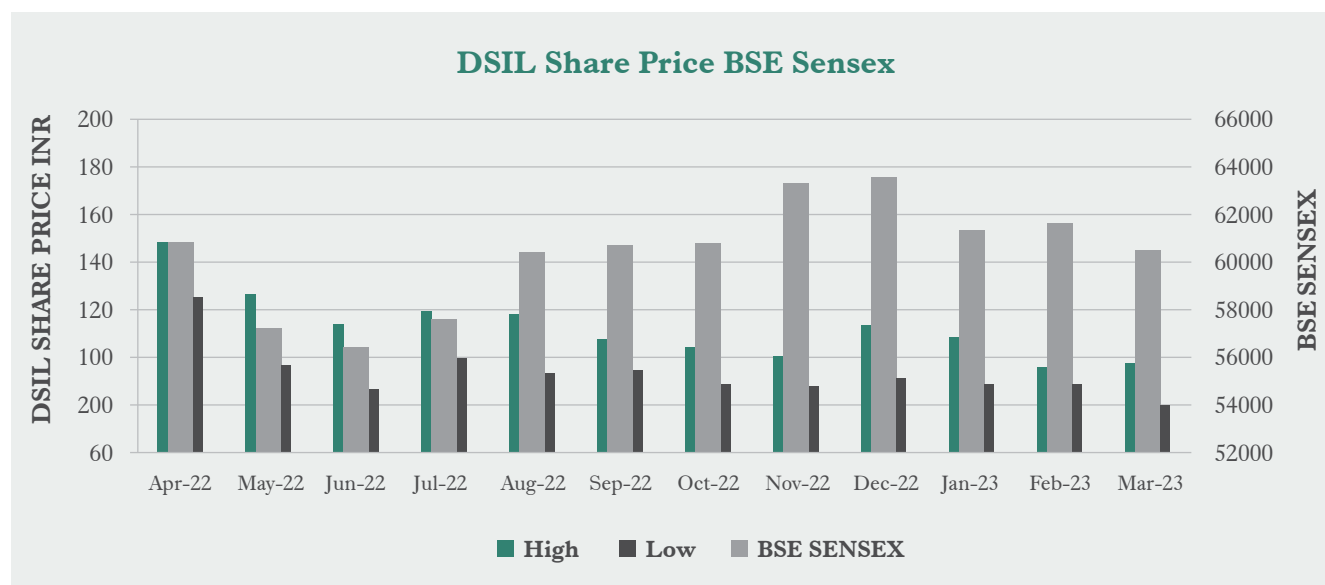
Name	Address	Stock Code
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	532610
The National Stock Exchange of India Limited (NSE)	"EXCHANGE PLAZA", Bandra-Kurla Complex Bandra (E), Mumbai – 400 051.	"DWARAKESH"
International Securities Identification Number (ISIN)		INE366A01041

Payment of Listing Fees: Annual listing fee for the year 2023-24 (as applicable) has been paid by the Company to BSE & NSE.

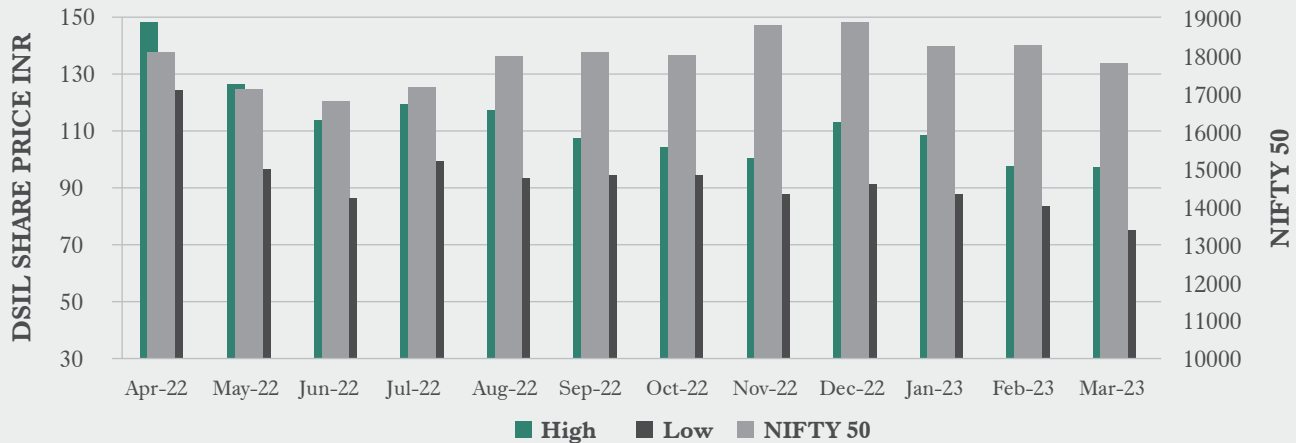
MARKET PRICE DATA: Monthly high/low of market price of the Company's equity shares traded on the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during the last financial year was as under:

Month	NSE			BSE		
	High	Low	Total Volume	High	Low	Total Volume
	₹	₹	Quantity No.	₹	₹	Quantity No.
Apr-22	148.45	124.65	8,30,62,601	148.45	124.95	1,01,42,144
May-22	126.70	96.45	5,90,52,250	126.75	96.30	93,18,364
Jun-22	114.1	86.2	3,80,58,605	114.00	86.05	40,68,669
Jul-22	119.5	99.55	3,48,37,976	119.55	99.70	38,27,522
Aug-22	117.4	93.1	3,20,66,455	117.90	93.05	41,19,085
Sep-22	107.7	94.3	3,02,72,540	107.65	94.00	39,28,439
Oct-22	104.35	94.3	1,67,98,799	104.35	88.20	29,72,844
Nov-22	100.4	87.95	2,51,51,809	100.40	87.90	34,24,851
Dec-22	113.15	91.3	6,32,40,714	113.05	91.10	71,33,689
Jan-23	108.4	88.1	2,09,95,949	108.30	88.10	22,47,006
Feb-23	95.9	81.7	1,46,33,565	95.9	88.10	20,45,910
Mar-23	97.35	75	2,81,29,935	97.30	80.00	25,78,349

STOCK PERFORMANCE:



DSIL Share Price NES & NIFTY 50



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: info@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 June 08, 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:

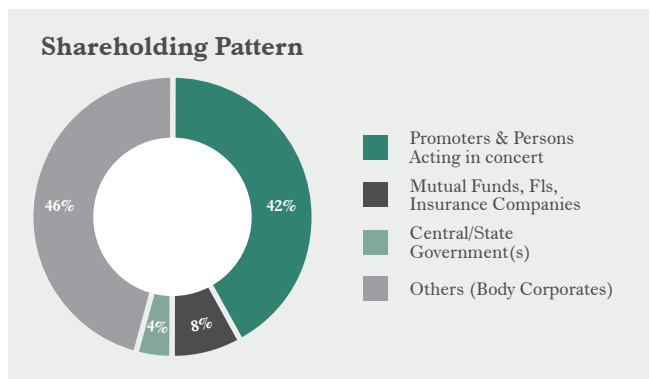
- Company & RTA shall not effect transfer of securities held in physical form from April 01, 2019.
- This restriction shall not be applicable for transmission or transposition of securities held in physical form.

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 March 31, 2023:

Particulars	Percentage
Promoters & Persons Acting in concert	42.09
Mutual Funds, FIs, Insurance Companies	7.64
Central/State Government(s)	0.13
Others (Body Corporates)	3.65
Indian Public & Others	46.49
Total	100





Distribution of Shareholding as on March 31, 2023:

Sr. No.	No. of Equity Shares Held in the range of	No. of Shareholders	Percentage	No. of Shares	Total Percentage
1	1 – 500	1,45,549	88.26	1,35,61,320	7.20
2	501 – 1,000	9,071	5.50	74,29,885	3.95
3	1,001 – 2,000	5,110	3.10	79,19,790	4.21
4	2,001 – 3,000	1,715	1.04	43,84,642	2.33
5	3,001 – 4,000	826	0.50	29,42,223	1.56
6	4,001 – 5,000	694	0.42	33,05,101	1.76
7	5,001-10,000	1,023	0.62	77,44,653	4.11
8	10,001 & above	923	0.56	14,10,13,856	74.88
	Total	1,64,911	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 March 31, 2023, 99.87% of the total shares of the Company have been dematerialised.

Outstanding AD[₹]/GD[₹]/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.

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, U.P

Distillery:

Dwarikesh Nagar – 246 762, Village: Bundki & Rajupura, Dist: Bijnor, Uttar Pradesh.

Dwarikesh Dham – 243 503, Village: Bhagwanpur Fulwa, Bakarganj, Dist: Bareilly, Uttar Pradesh.

Co generation:

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: 02222047288; 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] AA- (pronounced as AA minus) 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/prohibition_of_insider_trading.pdf, <https://www.dwarikesh.com/pdf/2022/Insider%20Trading%20Code%20of%20Conduct.pdf>

G. UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL 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 47(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	---
2019-2020 (Interim Dividend)	100%	10/02/2020
2020-2021	125%	20/07/2021
2021-2022 (Interim Dividend)	200%	29/03/2022
2022-2023 (Interim Dividend)	200%	20/03/2023

STATUS OF UNPAID DIVIDEND & SUSPENSE ACCOUNT:

Dividend for the year	Amount of Dividend (₹)	Amount of unpaid dividend as on 31.03.2023 (₹)	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	10,68,078.50	04/05/2029
2022-23	37,66,02,940.00	Note*	25/04/2030

Note* = The interim dividend was declared by the Company as on March 20, 2023 for FY 2022-23 and the record date for distribution of dividend was March 31, 2023. The payment of the same was made in April, 2023, hence the same is 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.

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at <https://www.dwarikesh.com/pdf/2022/Dividend-Distribution-Policy.pdf>

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 or 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 March 31, 2023 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, Whole Time Director designated as Executive Chairman of the Company was re-appointed for a further period of five years with effect from January 01, 2022 in the AGM held on June 30, 2022.

Separate posts of Chairman and MD/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 & MD 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, 2023 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

Place : Mumbai
Date : April 27, 2023

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



CODE OF BUSINESS CONDUCT AND ETHICS

The Board at its meeting held on January 24, 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 2022-23.

On behalf of the Board of Director

Place : Mumbai
Date : April 27, 2023

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant with Para 3(x) (c) (iii) of SEBI (Listing Obligations and Disclosure Requirements)
(Amendment) Regulations, 2018)

To,
The Members,
DWARIKESH SUGAR INDUSTRIES LIMITED
Dwarikesh Nagar, Bijnore,
Uttar Pradesh-246762

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 November 01, 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,2023.

The Board of Directors of the Company comprises of 7 (Seven) Directors and the Board is composed as follows:

Sr. No	Name of the Director	DIN	Type of the Director	Status of the Director
1	Shri Gautam Radheshyam Morarka	00002078	Executive Director	Active
2	Shri Balkishan Jawarilal Maheshwari	00002075	Managing Director (Executive Director)	Active
3	Shri Vijay Sitaram Banka	00963355	Managing Director (Executive Director)	Active
4	Shri Prithviraj Natrajan Kokkarne	00115317	Independent Director	Active
5	Ms.Nina Chatrath	07700943	Independent Director	Active
6	Shri Gopal Bhimrao Hosur	08884883	Independent Director	Active
7	Shri Rajan Krishnanath Medhekar	07940253	Independent Director	Active

During the year under review following change took place in the composition of the Board of Directors of the Company: Shri B.K Agarwal had resigned from Board and its Committee w.e.f October 28, 2022.

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

FCS No.: 5023

CP No.4279

UDIN : F005023E000196731

Place : Mumbai
Date : April 27, 2023



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 March 31, 2023 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.

Place : Mumbai
Date : April 27, 2023

Vijay S. Banka
Managing Director
(DIN: 00963355)

Sunil Kumar Goel
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Member 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, Mittal Gupta & 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, 2023, 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”) and as amended thereof.

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, 2023 and as amended thereof.
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 MITTAL GUPTA & CO.
Chartered Accountants
FRN 01874C

(Bihari Lal Gupta)
Partner

Membership No. 073794
UDIN: 23073794BGWGZX9533

Place: Mumbai
Date: 27.04.2023



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.

THE STEPS TAKEN FOR CONSERVATION OF ENERGY ARE AS FOLLOWS:

1. LED lights are being installed on a continuous basis in place of HPSV/Fluorescent/CFL/GLS Bulbs.
2. DCS is installed for optimum utility and smooth running of plant.
3. Variable Frequency Drive (VFDs) is being added in the system in all the Units for reduction of electrical energy consumption.
4. Installation of Planetary gears in replacement of inefficient worm wheel type gears is also being done on regular basis in all the units for saving of electrical energy.
5. Gradual replacement of inefficient geared pumps with screw pumps/ high flow pumps for electrical energy efficiency.
6. Continuous Pan Automation to save steam, manpower, water and for improving the quality of sugar.
7. Automation of Pan Condensers for saving of steam, water and power.

Details of total energy consumption and energy consumption per unit of production are furnished in the prescribed **Form 'A'** below.

A. POWER AND FUEL CONSUMPTION

		Current Year 2022-23	Previous Year 2021-22
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	37,917	64,173
	Unit Per Ltr of Diesel	3.38	3.03
	Oil cost/Unit(₹)	26.58	30.02
	ii) Through Steam Turbine/Generator		
	Unit –KWH	26,23,16,336	27,42,14,460
	Unit per Ltr of fuel		
	Oil/Gas		
	Cost/Unit (₹)		
2.	Coal (Specify quantity and where used)		
	Quantity (Tons)	NIL	NIL
	Total Cost	N.A.	N.A.
	Average Rate	N.A.	N.A.
3.	Furnace Oil		
	Quantity (Kilo 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.)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Quantity	99,30,233	94,09,826	-	-	10,975	21,089
Total Cost (C)	Own generation	Own generation	-	-	9,89,388	19,26,294
Rate/Unit (C)			-	-	26.09	30.02

B. CONSUMPTION PER UNIT OF PRODUCTION

PRODUCT – SUGAR (Unit Qtls.)

Total Sugar Produced = 32,97,787 Qtls

	Standards (if any)	Current Year 2022-23	Previous Year 2021-22
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)		0.301 MT/Qtls of Sugar	0.238 MT/Qtls of Sugar

- 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.
- 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

a) Protecting Co 0238 variety from Red Rot

Special focus on protection of wonder cane variety Co-0238 from Red Rot disease by providing disease free cane seed, quality Fungicide including Trichoderma, Azaka – Duo & Hexastop at subsidized rates. This will increase productivity of disease-free cane.

b) Replacement of Co 0238 with new high yielding varieties

While on one hand efforts are made to increase the longevity of Co-0238 variety sugarcane, efforts are also intensified to replace this variety with other high yielding / early maturing varieties such as Co-15023, CoLk-14201, 94184 and CoJ-85. The phased replacement will help in reducing dependence on Co 0238 variety and broad-base the varietal mix.

c) Improved planting techniques

Farmers are constantly being counselled to adopt scientific methods of planting such as distance planting which involves increasing effective row to row distance. Trench furrow openers, specially designed for distance planting are being made available to farmers. This technique will help farmers in increasing their productivity.

d) Ratoon Management

This is a potential area offering tremendous scope for enhancing cane productivity. Farmers are educated, persuaded & motivated by specially trained cane field assistants to adopt good agricultural practices such as application of balanced dose of fertilizers, insecticides, pesticides and also timely irrigation.

Pesticides, insecticides & fungicides are provided at subsidized rates to the farmers affiliated to the command area. Farmers are also educated for timely application of the same so as to maximize benefits. Last few years have seen rampant rise in the incidence of pests such as red-rot & borer. Double effect fungicides are provided at subsidized rates so as to combat this menace. Coragen, a time-tested chemical is also made available to farmers for healthy growth of the crop.

Social media avenues are being prominently used for technology dissemination, through Company's website and through SIS, SMS and also through Dwarikesh Kisaan e-Mitra App, which is followed by more than 1.30 lakh registered farmers of the command area.

1. SOIL HEALTH: -

Soil samples are drawn from different villages of command area as per standard operating procedure and tested at Government and accredited private soil testing labs. Thereafter soil health map of the cluster of villages is prepared and accordingly application of fertilizers is advised by Company's competent cane development team. Timely application of fertilizers together with balanced dose will not only increase the farm productivity but will simultaneously results in cost reduction.

Trichoderma, a bio fungicide which is effective in eradication of red rot pathogens is also made available for fighting the red-rot infestation.

Boiler fly ash which is rich in organic carbon & potash is being provided to farmers free of cost to enrich their farm soil.

MANAGEMENT OF DISEASES: -

Most commonly found disease/pest are red rot, borer, top rotting (Pokkah boeng) which are identified at early stage by Company's technical team and farmers are suitably advised and also provided proper insecticide / pesticide to save the crop from collateral damage.

Management of diseases is also done by treating the cane seeds of improved varieties of sugarcane by using M.H.A.T units and Seed Treatment Devices. This helps in controlling seed borne diseases such as Grassy shoot disease, Ratoon stunting disease, red leaf stripe and leaf stripe diseases etc. To fight Pokkah Boeng disease & top-rot disease which the sugarcane plants are infested with and more particularly during rainy season, farmers have been advised for foliar spray of copper-oxy-chloride. Fungo super and Saffilizer were also provided at subsidized rates for effective control of Pokkah Boeng disease. For management of Grassy shoot disease farmers are advised for roughing out and destroying disease affected clumps followed by spray of Sugron-H. In ratoon crop of Co-0238 where Chlorosis disease is observed, farmers have been advised to spray of Ferrous Sulphate and Nano Zinc for effective control. The results are encouraging.

2. STAFF / FARMER'S TRAINING & VISITS: -

Clubs have been formed of progressive farmers who are regularly attending refresher courses at Company's units and at various training institutes to learn new and improved technology for on onward transmission of the knowledge gained to their fellow farmers. Field visits are also organized for the farmers at demonstration plots for knowledge sharing and for adopting best practices. Nukkad Nataks in the local dialect is very effective tool for training

and educating growers. Pesticide/insecticide suppliers are also moving regularly in the command area with their mobile propaganda vehicles to educate growers for effective & timely application of required insecticide/pesticide. Farmer's seminars/Goshti are conducted for training of farmers. Inter unit and inter farm visits are organized and house refresher training programs conducted. Concept of mixed cropping is being propagated in entire command area. Farmers are being encouraged for planting of cane in the month of September for maximum yield of not only sugar cane but of inter-crops. Planting in the month of September helps in maintaining the soil health and by adoption of crop rotation policy occurrence of weeds and attack of insects can also be minimized.

3. INFRA-STRUCTURE DEVELOPMENT: -

To facilitate the farmers for smooth transportation of cane and other agriculture produce, construction, repairing and maintenance of link roads in the command area is taken up with the help of concerned Cane Development Councils by not only relentless follow up but also by contributing 25% as Company's share towards the cost involved.

4. DEMONSTRATION & TRIALS: -

Demonstrations / trials of different cane varieties like Co 15023, 0118 and CoJ 85, Co-98014 and Colk-14201 are regularly conducted to familiarize farmers with the best means of farming and irrigation. Free of cost services of agriculture implements such as paired row trench planters & spaced row trench planters are provided to the farmers to popularize deep ploughing of soil for ensuring better tillage operations through M.B. Plough, Disc plough etc. Farmers are encouraged for laser leveling of the land before planting / sowing of any crops, so that optimum use of fertilizers / irrigation can be ensured.

5. DEVELOPMENT OF IRRIGATION FACILITIES: -

In the rain fed areas subsidy on boring of deep tube wells to ensure timely irrigation of cane crop for better productivity is provided to farmers. The subsidy schemes extend to the dry belt area also. Farmers in the rainfed area are also assisted in the use of drip irrigation so as to save water.

6. MECHANIZATION IN CANE LOADING: -

In order to manage smooth and continuous supply of sugarcane for crushing requirements dependence on manual labor has been reduced by introduction of mechanized cane loaders at out centers, where the sugarcane is dumped by farmers. To ensure that centers are not slushy and muddy during rainy seasons, many centers have been brick-soled. Resultantly negligible mud is loaded on to the lorries.

B. BENEFITS DERIVED

1. IMPROVEMENT IN VARIETAL BALANCE: -

At one time dependence on Co-0238 variety was to the extent of 95-100% across the province. However, since the said variety is under the clutches of red rot disease the same is being replaced in phased manner and new & improved varieties such as - Co 0118, 15023, Co- 98014, CoLk-94184, Coj-85, Colk-14201 and Cos-13235 are being propagated and used which will help in enhancing the farm yield as well as mill recovery.

2. INCREASE IN CANE QUALITY & PRODUCTION: -

With introduction of new & improved seed varieties, adoption of balanced application of fertilizers and integrated disease management with the help of bio fertilizers and agro-chemicals, both cane production & productivity and sugar recovery are improving.

3. SAVING OF TIME & MONEY: -

Use of improved agricultural implements, such as drone sprayers, power sprayers, weeders etc. in protection of cane crops from insect, pests & diseases have been of immense help to farmers and have resulted in mechanization of cane cultivation. These measures have ultimately increased cane yield and made sugar cane cultivation easy and economical. Cane loading by mechanical cane loaders at centers has been another step, in mechanization and has also assisted cane marketing. Providing large number of power-driven weeders at subsidized rates to the farmers has helped farmers in timely mechanical weed management resulting in overall reduction in the cost of cane cultivation & improvement of cane yield.

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 farmers 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: -

Helped provide irrigation facility through deep tube well boring in the rain fed area. This has helped the growers to increase the area under cane cultivation as well as improvement in cane production. 140 borewells at farmers' fields were setup successfully on account of which farmers are able to grow cane even in rain fed area. Drip irrigation has helped in water saving and has also helped in application



of macro and micro nutrients. Overall production and productivity of cane is enhanced.

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. 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. This has made the entire process paperless.

On the other hand, Company introduced Dwarikesh Kisaan e-Mitra app which is a proving to be very effective means of technology transfer, grievance redressal, online viewing of waiting time, uploading of real time survey data, cane area, cane supply, payment etc. to keep the growers constantly updated. Nearly 1.30 Lakh registered farmers have downloaded this App and are deriving huge benefits and their queries relating to cane supply and cane development activities are instantly addressed.

C. ACTION PLAN:

1. For proper varietal balance, replacement of old & unsuitable cane varieties with new & improved cane varieties is to be continued on sustained basis and efforts must be made to minimize the area not more than 40% under a single cane variety. Efforts for protection of the wonder cane variety Co-0238 from Red Rot disease distribution of disease-free cane seed and fungicide for soil and seed treatment is to be intensified and accelerated.
2. To maintain and operate cane seed nurseries for propagation of varieties such as Co-15023, Colk-14201, Co-0118 & Cos-13235 etc. under supervision of Company's trained cane staff with a view to achieve the best results of low fiber, high sugar, high juice and high yield from these cane varieties.
3. To carry out various extension activities to technologically upgrade farmers for better field management, mechanization and balanced use of fertilizers to improve productivity.
4. Continuance of support for deep bore well facility and drip irrigation in rain fed area.
5. Introduction of mini tractor for inter-cultural operations.
6. Emphasis on adoption of crop rotation.
7. Introduction of Drone and power sprayers for crop protection from insect, pest & diseases.
8. Introduction of power weeders for weed management.

II TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

EFFORTS MADE

1. Adoption of faster procedure of single bud nurseries for achieving balanced varietal combination. The same is being transferred for commercial cultivation.
2. To reduce dependence on labor, introducing various farm implements such as mini tractors, trenchers, MB plough for deep ploughing, power weeders, power & motorized sprayers. This has saved time and money for the farmers.
3. For proper tracking of the activities Company vehicles used for cane development activities are provided with GPS. Digital tracking platform has been developed in Dwarikesh e kisan mitra App for effective and complete control of each and every activity taking place at the farmers' field. This will help in proper analyses about the activities carried, deficiencies, if any and corrective measures required. This App is also used for redressal of the problems of farmers. In order to disseminate information, sugarcane information system (Cane Website, IVRS, SMS, QSMS, mobile app) is being updated regularly.
4. Conducting demonstration and trials of different fertilizer and agrochemicals in the command area & at Company's farms so that best agrochemical / fertilizers may be recommended for sugarcane cultivation to the farmers.
5. Online weighing of cane at out cane purchasing centers through HHC, Challan generation for the trucks from out centers through HHC. This has helped smooth and transparent working.
6. Smart weighing has been successfully introduced at truck weighbridges and the same will soon be installed at all weighbridges for effective control and man less weighing.
7. Another breakthrough step being initiated is the installation of a digitized architecture to monitor the cane developmental activities. With this, the movement of staff, indents collected, planting targets achieved, seed reservation done, agri-input & chemicals distribution completed etc. will be digitally captured on-line. Hitherto the data was collected and captured through manual forms resulting in delays & gaps.
8. Brick-soling at our cane purchasing centers has helped in loading of cane during rains in the running crushing season and ensuring mud / wet soil free arrival of cane at the mills.

9. Efforts are made to introduce more mechanization in cane cultivation such as automatic cane planter, cane harvesters, small tractors, new trench planters and power weeders for inter cultural operations.
10. The Company also carries out the overall survey of the allotted cane area through satellite mapping. This facilitates better estimation of cane area, cane production and condition of the cane crop.
11. To increase the longevity of cane variety Co-0238, a special program of cane seed treatment and soil treatment is in progress.

Spent wash incineration boiler installed at Dwarikesh Nagar & Dwarikesh Dham Distilleries

Spent wash incineration boilers (bagasse based) have been installed at our Dwarikesh Nagar and Dwarikesh Dham distilleries, which has proven to be the best and latest technology for clean and zero effluent discharge. It is also called slop fired boiler. This boiler can run continuously for more than 150 days. It is having travelling grate technology which gives flexibility to use variety of support fuels. This boiler has three pass design. Bag filter has been provided to control the emissions, well below norms. Installation of these boilers has ensured uninterrupted operations at both distilleries.

Condensate Polishing Unit (CPU) installed at our Dwarikesh Nagar and Dwarikesh Dham Distilleries

Condensate polishing (CPU) unit has been installed at both the distilleries. The same has been supplied & commissioned by M/s. Paques Environmental Technology India Pvt. Ltd, an internationally acclaimed Company. Condensate from distillery have high COD and BOD counts, which is treated through Condensate Polishing Unit by use of anaerobic and aerobic Treatment. It is having BIOPAQ® ICX reactor, which uses anaerobic granular biomass which converts bio degradable organic components (COD) from wastewater into biogas. The generated biogas is separated from the treated wastewater and is discharged

from the reactor. It is also having ultra filtration (UF) system, UV system and RO to recycle treated water to achieve Zero Liquid Discharge (ZLD).

III LATEST TECHNOLOGY ADOPTION IN THE PLANT

1. Installed Incineration Boiler in both the Distilleries to operate throughout the year.
2. Installed Condensate Polishing Unit (CPU) to treat the effluent water for recycling to achieve Zero Liquid Discharge (ZLD)

IV EXPENDITURE INCURRED ON R&D

Sr No.	Particulars	Amount (₹ in lakhs)
1	Capital	Nil
2	Recurring	153.35
3	Total	153.35
4	Total R&D expenditure as percentage of total turnover	0.07%

V FOREIGN EXCHANGE EARNINGS & OUTGO

Sr. No	Particulars	Amount (₹ in lakhs)
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	0.12
	Legal fees	-
c)	EXPENDITURE IN FOREIGN CURRENCY	
	FOB value of export sales	-
	Other income	-

On behalf of the Board of Director

Place : Mumbai
Date : April 27, 2023

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

Vijay S Banka
Managing Director
(DIN: 00963355)



ANNEXURE - VI
FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

[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, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the 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, 2023 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, 2018 – Not applicable to the Company during the Audit period;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits - Not applicable to the Company during the Audit period;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **During the year there were 2 CP redemptions: a. 28.04.2022; b. 17.06.2022;**
 - (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 to the Company during the Audit period;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable to the Company during the Audit period;
6. Other Laws applicable to the Company ;
 - i. The Payment of Wages Act, 1936.
 - ii. The Minimum Wages Act, 1948.
 - iii. The Employee Provident Fund and Miscellaneous Provisions Act, 1952.

- iv. The Payment of Gratuity Act, 1972.
- v. The Bombay Shops and Establishments Act, 1948.
- vi. The Maharashtra Labour Welfare Fund Act, 1953.
- vii. The Environment (Protection) Act, 1986.
- viii. The Factories Act, 1948.
- ix. 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.

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. During the year under

review following change took place in the composition of the Board of Directors of the Company: **Shri B.K Agarwal had resigned from Board and its Committee w.e.f October 28,2022.**

The aforesaid mentioned changes were carried out in conformity and compliance with the provision of the Act

- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and 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.
- 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**
Practicing Company Secretary

(Vijay Kumar Mishra)

Partner

FCS No.: 5023

C P No.: 4279

PR. No. : 1846/2022

UDIN : F005023E000196643

Place : Mumbai

Date: 27/04/2023

Note: This report is to be read with our letter of even date which is annexed as ANNEXURE-A and forms an integral part 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**
Practicing Company Secretary

(Vijay Kumar Mishra)

Partner

FCS No. : 5023

C P No.: 4279

PR. No. : 1846/2022

UDIN : F005023E000196643

Place : Mumbai
Date: 27/04/2023

ANNEXURE - VII

Business Responsibility & Sustainability Report (BRSR)

Dwarikesh Sugar Industries Limited

Reporting Period- April 1, 2022, to March 31, 2023

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Delivering Excellence with Sustainability and Transparency

Dwarikesh Sugar Industries Limited is committed to sustainable and responsible business practices that create value for our stakeholders, while also minimizing our environmental impact and contributing to the well-being of the communities in which we operate.

As a leading player in the sugar industry, we recognize the importance of adopting sustainable practices that support the long-term growth and success of our business and are committed to work towards Environmental, Social and Governance sustainability practices.

Environmental:

Dwarikesh Sugar Industries Limited is committed to minimizing its environmental impact through sustainable practices. The Company has implemented various measures to conserve water, reduce greenhouse gas emissions, and promote renewable energy. In FY 2022-23, our co-generation power plant generated more than **301867 MW of green power** which has been transmitted through the state electricity grid to increase the accessibility and usage of electricity for the nearby communities. Our Cogeneration systems serve two purposes-generate electricity from steam using waste materials obtained during the industrial process and also process heat for the industry itself, thereby enhancing our circularity model and building on our sustainable practices.

99.87% of total electricity consumption at DSIL is through renewable sources which are generated through Bagasse and Slop. We also sell the excess share of our energy generation to the state grid which helps in increasing the renewable energy mix for the nearby communities. Through our operations and co-generation of power, we are contributing towards the UNSDG 7 which aims to increase the access to affordable, reliable, sustainable, and modern energy for all. We aim to continue delivering in this aspect and enhance the generation and consumption of clean energy for our operations and our neighboring districts.

During the fermentation process in the distillery, CO₂ is emitted into the atmosphere, in Dwarikesh we installed a CO₂ Scrubber to capture the CO₂ from entering into atmosphere. For this FY 2022-23 we captured 10578 MT CO₂ which was sold to an authorized third party. We ensure that our operations contribute towards reducing the overall carbon emissions through our operations and our carbon footprint is minimized.

Furthermore, we are actively incorporating measures within our plants that augment our environmental performance. Noteworthy initiatives include our recycling of plastic waste through the Extended Producers Responsibility (EPR), the installation of our Zero Liquid Discharge (ZLD) systems and the installation of a Condensation Polishing Unit (CPU). Our treated waste and water disposal are kept well under the permissible limits, however, with the installed equipment, we are able to achieve a zero-disposal model at our units. Similarly,



we have started accounting our Scope 1&2 emissions from this year onwards and will be using this as a baseline to reduce our emissions in a phased manner. BRSR has helped us in terms of identifying our direct emissions inventory, and we plan to initiate the understanding of our Scope 3 emissions using a similar approach.

Social:

Dwarikesh Sugar Industries Limited has a strong commitment to social responsibility and community development. The Company has undertaken various initiatives to support education, healthcare, and infrastructure development in the communities where it operates. In FY 2022-2023, the Company provided education support and livelihood for orphan children, contributed to healthcare facilities, and supported the community by various initiatives like Blood donation camps, celebration of festivals with the community to strengthen bonds, programs for farmers, vocation training for women empowerment, medical checkup camps among many others.

Dwarikesh Sugar Industries Limited values its employees and recognizes their crucial role in the Company’s success. The Company is committed to their well-being and provides a safe and healthy work environment, implementing various measures to ensure their safety and health. Additionally, the Company offers training and development programs to enhance the skills and capabilities of its employees.

The Company’s low overall **turnover rate of 9.78%** is a testament to the trust that employees have in the Company. This trust can be attributed to the strong roots and culture of high values and a people-centric approach from the Company’s promoters and top leadership.

Governance:

Dwarikesh Sugar Industries Limited is committed to maintaining high standards of corporate governance and ethical business practices. The Company has a comprehensive code of conduct that guides its business activities, and it has established various committees to oversee governance-related matters. The Company has a diverse and independent board of directors, and it regularly engages with its stakeholders to ensure transparency and accountability.

Overall, Dwarikesh Sugar Industries Limited has made significant strides in its ESG performance and initiatives, demonstrating a strong commitment to sustainability and responsible business practices.

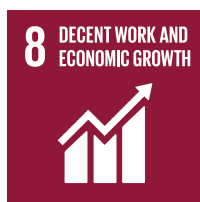
At Dwarikesh Sugar Industries Limited (DSIL), we decided to disclose our sustainability performance through our first BRSR for FY 2022-2023. We are committed to strengthening our relationships with our stakeholders as we work towards creating a positive environmental and social footprint. Our BRSR contains our responses about our policies and performance in relation to the principles covered by the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015’s Regulation 34(2)(f), which span the ESG dimensions. We are also in alignment with United Nations Sustainable Development Goals (UNSDGs) which have been adopted universally to ensure a balance of social, environmental and economic sustainability and have been mapped under relevant sections of this report. In this Business Responsibility and Sustainability Report, we share our progress and achievements in the areas of environmental impact, social responsibility, corporate governance, ethical business practices and innovation.

“This report is an important tool for communicating our commitment to sustainability and responsible business practices to our stakeholders, including regulators, customers, employees, investors, and the wider community. We have made a concerted effort to include all the essential and leadership indicators in our report, ensuring the highest level of transparency. To ensure we adhere to best practices in reporting on these indicators, we have followed the guidelines provided by the National Stock Exchange (NSE) on how to report.”

-Vijay S Banka, Managing Director-

At Dwarikesh Sugar Industries Limited, we are committed to continuous improvement and will continue to invest in sustainable practices that benefit our stakeholders and the environment. We invite you to read this report and learn more about our approach to sustainability and responsible business practices.

SECTION A: GENERAL DISCLOSURES



I. Details of the listed entity

Dwarikesh Sugar Industries Limited is an Indian Company that is one of the key players in the sugar industry. It was founded in 1993, commissioned in 1995 and is headquartered in Dwarikesh Nagar, Bijnor, Uttar Pradesh, India and its corporate office at Nariman Point, Mumbai. The Company is engaged in the manufacturing and sale of sugar, industrial alcohol, as well as the generation and sale of power from bagasse, a by-product of sugar manufacturing process.

Dwarikesh Sugar Industries has 3 sugar mills with 2 distillery units located in the state of Uttar Pradesh, with a total **crushing capacity of 21,500 tons** of sugarcane per day. The Company also has a co-generation capacity of 96 MW, which is used to generate electricity from bagasse, a byproduct of the sugar manufacturing process.

Dwarikesh Sugar Industries Limited has diversified its operations and expanded its product portfolio to include the **production of ethanol and industrial alcohol**. These products are in high demand and are used as biofuel under the Ethanol Blending Programme (EPB) initiated by the Government of India. This initiative not only helps to reduce the dependence on fossil fuels but also provides a boost to the agriculture sector by utilizing sugarcane molasses and other feedstocks for biofuel production. By producing these products, the Company has also contributed towards the promotion of sustainable development and reducing greenhouse gas emissions.

1.	Corporate Identity Number (CIN) of the Listed Entity	L15421UP1993PLC018642
2.	Name of the Listed Entity	Dwarikesh Sugar Industries Limited
3.	Year of incorporation	1993
4.	Registered office address	Dwarikesh Nagar, Bijnor, Uttar Pradesh- 246762
5.	Corporate address	511, Maker Chambers - V, 221, Nariman Point, Mumbai – 400021
6.	E-mail	investors@dwarikesh.com
7.	Telephone	022-22832468
8.	Website	www.dwarikesh.com
9.	Financial year for which reporting is being done	April 1, 2022, to March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE)
11.	Paid-up Capital	₹1,883.01 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri B. J. Maheshwari (Managing Director and Company Secretary-cum-Chief Compliance Officer) Tel: 022 22042945 email: bjmaheshwari@dwarikesh.com
13.	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made under this report are on a Standalone basis for Dwarikesh Sugar Industries Limited.

II. Products/services

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

S. No.	Description of main activity	Description of business activity	% Of turnover of the entity (FY'23)
1	Sugar Production	Manufacturing sugar by processing sugarcane through a highly controlled process	72.07%
2	Power Generation	Generation of Electricity through a Co-generation model.	2.42%
3	Distillery and allied products	Manufacturing of Industrial Alcohol, Sanitizer, liquid CO2 etc.	25.51%



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

S. No.	Product/Service	NIC Code	% Of total turnover contributed
1	Sugar Production	10721	72.07%
2	Power Generation	35106	2.42%
3	Distillery and allied products	11019	25.51%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	3	3	6
International	Currently, DSIL does not have international operations.		

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	As of March 31, 2023, the Company has its presence across India in all its states.
International (No. of Countries)	The Company's sugar is exported to various countries, though not directly. It uses the services of Merchant exporters for this purpose.

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

Contribution of merchant exports is 16.96% of the total turnover.

c. A brief on types of customers

At Dwarikesh Sugar Industries Limited, we have a diverse range of customers across our different product lines. We sell our sugar products through agents and e-commerce platforms to various customers across India, while our molasses is sold to distilleries within Uttar Pradesh. Our co-generated power is sold under a long-term Power Purchase Agreement with the Uttar Pradesh Power Corporation Limited (UPPCL). In addition, we supply our ethanol to Oil Marketing Companies (OMCs), which is used as a blend with petrol, and liquid CO₂ to authorized third party agencies.

The brief of our customers is as follows:

1. Our sugar is channeled through agents and E-commerce platforms to various customers across India.
2. Molasses is sold to various distilleries within Uttar Pradesh (UP) which is used by them for manufacturing country liquor.
3. Co-generation of Power: we have long-term Power Purchase Agreement (PPA) with Uttar Pradesh Power Corporation Limited (UPPCL).
4. Ethanol is supplied to Oil Marketing Companies (OMCs) – Dwarikesh also contributes to the environment by supplying ethanol, an eco-friendly and renewable source of energy, to Oil Marketing Companies (OMCs) for blending with petrol. This helps to reduce harmful emissions and improve air quality, making it a crucial component in India's efforts to transition towards a more sustainable future. The production and supply of ethanol also supports the country's energy security goals by reducing its reliance on fossil fuels. By promoting the use of biofuels like ethanol, Dwarikesh is playing an active role in promoting a greener and more sustainable economy.

5. Liquid Carbon Dioxide- During our distillery operations, we capture the Co2 emissions in the due process and manufacture Liquid Carbon Dioxide through our installed CO2 scrubbers. The liquid CO2 is sold by us to authorized third party agency.

IV. Employees

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

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	480	465	96.88%	15	3.12%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	480	465	96.88%	15	3.12%
WORKERS						
4.	Permanent (F)	924	924	100%	-	-
5.	Other than Permanent (G)	1,563	1,562	99.94%	1	0.06%
6.	Total workers (F + G)	2,487	2,486	99.96%	1	0.04%

b. Differently abled Employees and workers

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

19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14.2%
Key Management Personnel	1	0	0%

20. Turnover rate for permanent employees and workers

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.24%	26.66%	9.79%	8.29%	7.14%	8.26%	3.51%	7.14%	3.61%
Permanent Workers	5.62%	-	5.62%	2.55%	-	2.55%	3.20%	-	3.20%



V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
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We do not have a subsidiary/associate/joint venture.

VI. CSR Details

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

Yes, Corporate Social Responsibility is applicable to Dwarikesh Sugar Industries Limited. We have numerous projects and activities that help us in assisting the communities and develop stronger relationships through our initiatives.

(ii) **Turnover (in ₹)** - INR 20914.18 million

(iii) **Net worth (in ₹)** - INR 7391.95 million

VII. Transparency and Disclosures Compliances -

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes , we do have a redressal mechanism in place for the communities that allow us to exist. Furthermore, the Company has a goal of empowering the underprivileged and weaker sections of society through socio-economic development.	No complaints were received in financial year 2022-23			No complaints were received in the financial year 2021-22		
Investors (other than shareholder)	Yes , the Company has an effective investor redressal mechanism. Investors with concerns can contact Shri B J Maheshwari (Managing Director and Company Secretary-and-Chief Compliance Officer) at Tel: 022 - 22832468/ 22042945 Fax:022-22047288 Email: investors@dwarikesh.com	No complaints were received in financial year 2022-23			No complaints were received in the financial year 2021-22		
Shareholders	Yes , concerned shareholders can contact Shri B J Maheshwari. (Managing Director and Company Secretary-and-Chief Compliance Officer) at Tel: 022 - 22832468/ 22042945 Fax: 022 -22047288 Email: investors@dwarikesh.com Or M/s. Universal Capital Securities Pvt. Ltd. (Registrar & Share Transfer Agents - RTA) at Tel: 022 28207203 / 7204 / 7205 Fax: 022 - 28207207 Email: info@unisec.in	No complaints were received in financial year 2022-23			No complaints were received in the financial year 2021-22		

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	<p>Yes, the Company has an effective Whistleblower policy that covers all its employees and directors, providing them with a channel to raise concerns to maintain the highest possible standards of ethical, morale, and legal business conduct, as well as the Company's commitment to open, fearless, and genuine communication.</p> <p>The policy's primary goal is to provide necessary safeguards to protect employees from retaliation or victimization.</p> <p>For safety of women at workplace, we also have set up an Internal Complaints Committee at all of our units under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act led by Ms. Priyanka G. Morarka.</p>	No complaints were received in financial year 2022-23			No complaints were received in the financial year 2021-22		
Customers	<p>Yes, we act in a way that adds value to our customers and contributes to the development of a trusting relationship.</p> <p>For many years, the Company and its employees have provided services and built its significant goodwill. This goodwill is one of our most valuable assets, and all Company personnel are always reminded to work hard and maintain our reputation.</p>	No complaints were received in financial year 2022-23			No complaints were received in the financial year 2021-22		
Value Chain Partners	<p>Yes, we believe in investing in people and processes to foster an outperformance culture and increase value through optimal resource integration.</p> <p>We currently have vendor relationships with over 1.50 lakh farmers and are committed to addressing issues raised by our value chain partners through one-on-one counselling with immediate and satisfactory resolutions</p>	No complaints were received in financial year 2022-23			No complaints were received in the financial year 2021-22		



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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Farmer Engagement	Risk and Opportunity	<p>Risk: As a risk, the Company is heavily dependent on the availability and quality of sugarcane from farmers. Any disruption in the supply chain due to farmer-related issues such as pricing, quality, or crop failure could adversely affect the Company's operations and financial performance.</p> <p>Opportunity: The Company can improve its relationship with farmers through various initiatives such as providing them with better agricultural inputs, offering training and education programs, and ensuring fair prices for their produce. Such measures could help the Company secure a reliable supply of high-quality sugarcane and also enhance its reputation as a socially responsible organization. This, in turn, could lead to increased customer satisfaction and brand value.</p>	<p>We adopted a sustainable sugarcane farming initiative to promote responsible and efficient farming practices among farmers. The initiative includes providing technical guidance to farmers on sugarcane cultivation, implementing best practices for water management, and promoting the use of organic fertilizers.</p> <p>We have also established a farmer grievance redressal mechanism to address any issues or concerns raised by farmers. This mechanism enables farmers to submit their grievances and feedback through a dedicated helpline or online portal, which is promptly addressed by the Company.</p> <p>Dwarikesh Sugar Industries Limited has a strong relationship with the farmers community.</p> <p>We use mobile app ecosystem and messaging platforms to reach out to farmers and provide them with important information regarding crop management, weather conditions etc.</p>	<p>Positive implications: Good farmer engagement can have positive financial implications for Dwarikesh Sugar Industries. This includes ensuring a steady supply of sugarcane, which is the main raw material for sugar production. A consistent supply can lead to consistent production levels and stable revenues. Farmers who are satisfied with the Company's engagement and support are likely to continue supplying sugarcane to the Company, which can reduce the risk of supply chain disruptions and price volatility. A strong relationship with farmers can also lead to increased productivity and quality of sugarcane, resulting in higher sugar recovery rates and better product quality. Ultimately, this can translate into higher revenues and profits for the Company.</p> <p>Negative implications: Poor engagement with farmers can lead to negative financial implications for Dwarikesh Sugar Industries. This includes supply chain disruptions and price volatility that can affect production levels and revenues. If farmers are not satisfied with the Company's engagement and support, they may switch to other buyers, leading to supply shortages and higher procurement costs. In extreme cases, poor engagement with farmers can lead to social unrest, protests, and reputational damage, which can have a significant negative impact on the Company's financial performance.</p>
2	Raw Material Sourcing	Risk	<p>Sugarcane being integral to our manufacturing process, is also a perishable crop, whose availability can be affected due to climatic conditions and agricultural production</p>	<p>We make sure that we procure best quality of sugarcane and procure on time when the season of harvest begins, we do not store sugarcane as it is perishable.</p> <p>We have strategically located our sugar mills in different regions to reduce the risks associated with sourcing sugarcane from a single location. This ensures a steady supply of raw materials and reduce the impact of weather-related risks.</p> <p>Dwarikesh Sugar Industries has implemented various sustainability initiatives, such as water conservation and waste management, to ensure the long-term sustainability of sugarcane cultivation to reduce the risks associated with sourcing raw materials from unsustainable sources and ensure a stable supply chain.</p>	<p>Negative Implication: Raw material sourcing is a critical aspect for Dwarikesh Sugar Industries, and poor sourcing practices can have negative financial implications for the Company. It may have a negative implication on our profit and the timely procurement and production directly depend on sourcing and failure to do so may have a negative implication on our profitability. Inefficient procurement practices in raw materials can lead to higher procurement costs and affect profit margins. Supply chain disruptions, such as crop failures or transportation issues, can lead to production delays and revenue losses. Lack of access to reliable and sustainable sources of raw materials can lead to supply shortages and higher procurement costs, which can affect production levels and revenues.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Water Management	Risk	As a water-intensive industry, the Company is vulnerable to water scarcity and quality issues, which can disrupt its operations and increase costs. Therefore, water management is a risk for the Company.	<p>Dwarikesh Sugar Industries has implemented several measures to mitigate the risks associated with water management, including:</p> <p>Reducing water consumption: The Company has implemented measures to reduce water consumption in its manufacturing process, such as improving the efficiency of its equipment and implementing a closed-loop system to recycle water. To further our actions to reduce water consumption we encourage & assist our farmers to use drip irrigation system so as to optimize water usage, reducing water wastage and maximized crop yield.</p> <p>Rainwater harvesting: The Company has also implemented rainwater harvesting systems to capture and store rainwater for use in its manufacturing process.</p> <p>Water stewardship initiatives: Dwarikesh Sugar Industries has partnered with various organizations and stakeholders to promote water stewardship initiatives and sustainable water management practices including installation of ZLD mechanism at plant locations.</p> <p>Monitoring and reporting: The Company closely monitors its water consumption and wastewater discharge and regularly reports its water usage and quality metrics to stakeholders.</p> <p>Strict adherence to the regulations and integrated water management systems helps us further mitigating this compliance related risk factor.</p> <p>These measures help the Company to minimize the risks associated with water scarcity, water quality, and regulatory compliance, while also improving its operational efficiency and reducing its environmental impact.</p>	Negative Implication: Penalty charges can be implied due to lack of adherence to the norms and regulations mandated by Central and State Pollution Control Boards.
4	Research & Development	Opportunity	<p>Research and development are considered an opportunity for Dwarikesh Sugar Industries. By investing in R&D, we can develop new and innovative products, improve manufacturing processes, and enhance overall competitiveness in the market. This can lead to increased revenue streams, improved product quality, and stronger customer relationships.</p> <p>Moreover, R&D can help us stay ahead of our competitors by continuously improving our products and processes, which can lead to increased market share and brand recognition. This can also help the Company to explore new market opportunities and expand its business in new geographies.</p> <p>Additionally, R&D can also help the Company to explore new and sustainable sources of raw materials, which can help to reduce its environmental impact and improve its reputation among customers and stakeholders.</p>	<p>Dwarikesh Sugar Industries is investing in research and development to tap into the opportunities of developing new products and improving existing ones. The Company has a dedicated R&D team that focuses on enhancing sugar recovery rates, developing new sugarcane varieties, and exploring opportunities for diversification into other areas such as biofuels and renewable energy. Additionally, the Company is collaborating with academic and research institutions to leverage its expertise and stay up to date on the latest technologies and trends in the industry.</p> <p>Dwarikesh Sugar Industries is also exploring new markets for its products through R&D efforts.</p>	Positive Implication: It has a positive implication in the long term as it ensures cost saving and enhanced revenue



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Community Relations	Opportunity	Building strong relationships with the communities around our operations is critical to maintaining our social license to operate and minimizing the risk of community opposition or conflict.	We closely connect and engage with our communities and address their concerns by working at the grassroots level through interventions in education, women's empowerment, agriculture, skill development, environment, social awareness, health, employment opportunities, and collaborating with local agencies. By doing so, we are creating a positive impact in the communities where we operate.	Positive financial implications: Good community relations can lead to increased brand awareness and loyalty, which can result in higher sales and profits. Positive relationships with local communities can result in smoother operations and fewer disruptions, which can improve productivity and efficiency. Engaging with local communities can also lead to the identification of new business opportunities and potential customers, which can expand the Company's revenue streams.
6	Health & Safety	Risk	Hazardous operations, employee safety is crucial but there can be unforeseen accidents	We have a planned safety committee which meets quarterly to discuss safety related issues and address any new suggestions to make the workplace safer for the employees. We always provide our employees with safety gear and equipment to make sure they are safe Our accident rates are lowest due to all precautions we take at our plants	Positive implications: A strong health and safety culture can result in fewer workplace accidents, leading to reduced costs associated with medical treatment, worker compensation claims, and production downtime. Improved health and safety conditions can also enhance employee satisfaction and retention, leading to increased productivity and efficiency, along with reduced costs associated with hiring and training of new employees. Negative implications: Failure to comply with health and safety regulations and standards can result in legal and regulatory fines, litigation costs, and reputational damage. Workplace accidents can result in production downtime, which can lead to reduced revenues and profits.
7	Labour Practices	Risk and Opportunity	Risk: Poor labour practices such as employee mistreatment, low wages, or unsafe working conditions can result in high turnover rates, negative publicity, and even legal action, all of which can impact the Company's financial performance and reputation. Opportunity: Strong labour practices such as fair compensation, safe working conditions, and employee development programs can lead to increased employee loyalty, improved productivity, and a positive public image, which can all have positive financial implications for the Company. Therefore, it is important for companies to manage labour practices effectively to mitigate potential risks and maximize opportunities for growth and success.	At Dwarikesh Sugar, we have implemented various measures to ensure that we maintain a safe and healthy work environment for our employees, provide regular training and development programs to enhance their skills, and adhere to all relevant labour laws and regulations. We believe in promoting diversity and inclusion in our workforce and have a zero-tolerance policy towards any form of discrimination or harassment. We encourage employee engagement and participation in decision-making processes to foster a sense of ownership and commitment towards the Company. Additionally, we follow the regulations as mandated by the UP-wage board to ensure our workers receive equal pay, and we also adhere to the UP-Wage act. These measures help to minimize the risk of legal and reputational damage and promote a positive work culture, which can lead to higher employee satisfaction and productivity.	Positive Implication: Good labour practices can lead to higher employee satisfaction, better employee retention, and increased productivity. This can result in improved operational efficiency, reduced recruitment costs, and higher profitability. Additionally, promoting diversity and inclusion in the workforce can lead to a broader range of perspectives and ideas, which can contribute to innovation and better decision-making. Negative Implication: Poor labour practices can lead to legal and reputational risks, such as employee lawsuits, regulatory fines, and damage to the Company's brand image. It can also lead to decreased productivity, high employee turnover, and increased recruitment and training costs. This can negatively impact the Company's financial performance and lead to decreased profitability.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Waste Management	Opportunity	Proper waste management practices can help us reduce costs, increase efficiency, and minimize our environmental impact. By implementing effective waste reduction, reuse, and recycling strategies, we can also create new revenue streams and improve our reputation among stakeholders.	We ensure waste management through our waste to wealth approach, and we also recycle our plastic waste under EPR. We regularly review and update our waste management policies and procedures to ensure they align with current best practices and regulatory requirements.	Positive: It can help to reduce the cost of waste disposal and transportation, as effective waste management practices can lead to a reduction in the amount of waste generated. This can result in lower costs associated with waste disposal and transport. Additionally, proper waste management can lead to increased efficiency in the use of raw materials, as waste can be recycled or reused in production processes. This can lead to cost savings associated with the purchase of new raw materials. Finally, proper waste management practices can help to minimize the risk of legal and reputational damage associated with improper disposal of waste, which can have significant financial implications.
9	Climate Risk	Risk	The risk associated with climate change for Dwarikesh Sugar can be significant. Climate change can impact the availability and quality of sugarcane, which is the primary raw material for sugar production. Changes in temperature, rainfall patterns, and extreme weather events can reduce crop yields and quality, affecting the Company's revenue and profitability. Additionally, climate change can increase the frequency and intensity of natural disasters, such as floods and droughts, which can disrupt operations, damage infrastructure and equipment, and increase production costs. Furthermore, climate change can lead to changes in regulatory and market conditions, affecting the demand and price of sugar and other products.	We do not have any mitigation measures to tackle climate change related risk. However, we make sure that our production process is not hampered, and timely production and delivery of products is ensured.	Negative: The financial implication of climate risk is substantial. It may have a negative financial impact. As our raw material is an agricultural product, it could be impacted due to severe change in the climatic conditions which could directly impact Company's economic performance. Failure to adapt to these changing conditions can result in reputational damage, financial losses, and market share decline.
10	Energy & Emissions	Opportunity	By investing in renewable energy and reducing emissions, Dwarikesh Sugar can reduce its operational costs, improve its environmental impact, and potentially benefit from incentives and carbon credits. Additionally, the Company's commitment to sustainability can enhance its brand reputation and potentially attract environmentally conscious customers and investors.	We have implemented various measures to reduce our greenhouse gas emissions, such as increasing the use of renewable energy sources like bagasse and investing in energy-efficient equipment. Additionally, we have also explored the possibility of generating revenue by selling excess energy back to the grid. Through these efforts, we aim to not only minimize our environmental impact but also create value for our stakeholders.	Positive: These initiatives not only help us to mitigate the risks associated with climate change but also have a positive impact on our financial performance by reducing our energy costs. It may have a positive financial implication in the longer term.



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES



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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available**	<ol style="list-style-type: none"> 1. Insider Trading Code of Conduct - P1: https://www.dwarikesh.com/pdf/2022/Insider%20Trading%20Code%20of%20Conduct.pdf 2. Composition of Various Committees - P1, P9, P2: https://www.dwarikesh.com/Composition%20of%20Board%20and%20Various%20Committees.pdf 3. Dividend Distribution Policy - P1: https://www.dwarikesh.com/pdf/2022/Dividend-Distribution-Policy.pdf 4. Policy on Corporate Environment - P3, P6: https://www.dwarikesh.com/pdf/2021/Corporate-Environment-Policy-Copy-signed.pdf 5. Policy on Determination of Materiality of Events - P1: https://www.dwarikesh.com/pdf/2018/Policy-on-Determination-of-Materiality-of-Events.pdf 6. Policy on Directors' Appointment and Remuneration - P3, P8: https://www.dwarikesh.com/pdf/2018/Policy-on-Directors-Appointment-and-Remuneration.pdf 7. Policy on Material Subsidiaries - P4: https://www.dwarikesh.com/pdf/2018/Policy-on-Material-Subsidiaries.pdf 8. Policy on Preservation of Documents - P7: https://www.dwarikesh.com/pdf/2018/Policy-on-Preservation-of-Documents.pdf 9. Related Party Transactions Policy - P1, P4: https://www.dwarikesh.com/pdf/2018/Related-Party-Transactions-Policy-1.pdf 10. Terms of Appointments of Independent Directors- P1: https://www.dwarikesh.com/pdf/2022/Terms-of-Appointments-of-Independent-Directors.pdf 11. Whistle Blower Policy - P1, P3, P4, P5: https://www.dwarikesh.com/pdf/2018/Whistle-Blower-Policy.pdf 12. Archival Policy - P4, P7: add the following link after P7: https://www.dwarikesh.com/pdf/2018/Archival-Policy.pdf 13. Familiarization Programme for Independent Directors - P1: https://www.dwarikesh.com/Familiarisation%20Programme%20for%20Independent%20Directors%20(amended%2020.03.2023).pdf 								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.									
Principle 1									
Principle 2									
Principle 3									
Principle 4									
Principle 5									
Principle 6									
Principle 7									
Principle 8									
Principle 9									



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

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure) –	<p>At Dwarikesh Sugar Industries Limited, we strive towards protecting the environment and strengthening our values as we progress towards becoming a responsible sugar and energy Company in India. Apart from sugar, we also produce ethanol and industrial alcohol which are used as biofuels and contribute to our transformation into an energy Company.</p> <p>We focus on consuming less and manufacturing effectively with minimal impact on the environment by adhering to environmental regulations and standards as mandated by law. We ensure sustainable sugar and energy production while creating value for farmers and community, along with sustaining a business ecosystem.</p> <p>Our approach to sustainability is characterized by our efforts on water conservation, energy use reduction, resource efficiency, waste minimization, impacting lives of local communities and conducting business responsibly. We are committed to enhancing our sustainability performance through a prioritization of the 12 material topics, which includes our ethanol and industrial alcohol production, categorized under the pillars of sustainable production, environmental conservation, and empowerment of the local communities.</p> <p>We recognize that sustainability is integral to our long-term success and are committed to continuous improvement. By focusing on these key areas, we aim to drive meaningful progress and positive impact. We will continue to monitor and report on our progress, and to engage with our stakeholders to ensure that we are meeting their expectations and contributing to a sustainable future.</p>								
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Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/ policies	Shri B. J. Maheshwari (Managing Director and Company Secretary-and-Chief Compliance Officer) Tel: 022 22042945 email: bjmaheshwari@dwarikesh.com								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. We have formulated “ESG Committee”, which oversees matters related to sustainability. It is responsible for providing direction to the management on formulation of ESG initiatives and monitoring the Company’s progress and performance on its long-term ESG commitments and targets.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Performance against the above policies and follow up action is carried out for each principle.								
Performance against above policies and follow up action	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) The board committee reviews the performance against the policies on a quarterly basis.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee Review is carried out by the board committees and if required by the Board of Directors at their meetings also.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) The board committee reviews the policies on a quarterly basis.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No, we haven’t conducted any independent assessments or evaluations by any external organizations. The Board committees examine how these policies are implemented.								

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

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



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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



Dwarikesh Sugar Industries Limited (DSIL) recognizes that ethical behavior in all operations, functions and processes is the cornerstone of our businesses which guides our economic, social, and environmental responsibilities. At DSIL, we believe in nurturing our relations with the stakeholders by promoting ethical practices and transparent business conduct. Trust lies at the core of all our relations, be it with employees, customers, vendors and suppliers, farmers, or shareholders. We are continuously working to maximize the stakeholder value by creating a business framework of fairness, responsibility, and accountability.

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	10	Impact of Covid-19 1. Impact of Covid-19 on Financial & Operational Performance of the Company 2. Financial Results and Performance Internal, Risk & Health Management 1. Internal Audit Plans 2. Internal financial controls and Risk Management Systems 3. Employee Health & Safety measures Legal and Regulatory Compliance 1. Compliances with various applicable laws 2. Discussion on various Amendments in statutory laws applicable to the Company 3. Relaxation provided by Statutory Authorities due to Covid-19	100%
Key Managerial Personnel	10	Impact of Covid-19 1. Impact of Covid-19 on Financial & Operational Performance of the Company 2. Financial Results and Performance Internal, Risk & Health Management 1. Internal Audit Plans 2. Internal financial controls and Risk Management Systems 3. Employee Health & Safety measures Legal and Regulatory Compliance 1. Compliances with various applicable laws 2. Discussion on various Amendments in statutory laws applicable to the Company 3. Relaxation provided by Statutory Authorities due to Covid-19	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	15	Food safety training: 1. Advance Manufacturing + COVID19 Guidelines 2. TACCP (Threat Assessment and Critical Control Point) and VACCP (Vulnerability Assessment and Critical Control Point) in a food environment. 3. Healthy Food Consumption: A Smart Approach 4. What is Food Fraud 5. Approach to Food Fraud Mitigation 6. TACCP/VACCP Guideline	100%
Workers	15	Food safety training: 1. Advance Manufacturing + COVID19 Guidelines 2. TACCP (Threat Assessment and Critical Control Point) and VACCP (Vulnerability Assessment and Critical Control Point) in a food environment. 3. Healthy Food Consumption: A Smart Approach 4. What is Food Fraud 5. Approach to Food Fraud Mitigation 6. TACCP/VACCP Guideline	100%

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

Monetary*					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/judicial institutions	Amount (In Million)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	District Magistrate	0.02	Notice was issued under the Sugarcane Act as on inspection, Sugarcane weighment was found in excess. Our reply to the said Notice was rejected and the security amount was forfeited by the District Magistrate.	No
Penalty/ Fine	Principle 1	State Excise Department	0.05	penalty on low recovery of molasses	No
Penalty/ Fine	Principle 1	State Excise Department	0.05	penalty on low recovery of molasses	No
Compounding fee	Principle 1	Cane Inspector	0.038	Compounding fee was deposited as some minor irregularities were found at Cane centers by the Weighment Inspector.	No
Compounding fee	Principle 1	State Excise Department	0.2	Shortage of Molasses Storage	No
Compounding fee	Principle 1	State Excise Department	0.05	Shortage of Molasses Storage	No



Non-Moentary*					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In Million)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment	Non-Monetary fines & penalties are not applicable to Dwarikesh Sugar Industries Limited as no cases were reported regarding the same.				

*These cases pertain to and are a part of our daily business operation with minor penalties. Hence, these have not been uploaded on the website.

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable, as we have not preferred any appeal for any of our monetary cases mentioned above.	

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

Though DSIL does not have a specific anti-corruption and anti-bribery policy. However, our operations are governed as per the Code of Business Conduct and Ethics & Whistle Blower Policy which is available on our website.

Web link to our code of conduct: https://www.dwarikesh.com/pdf/2018/Code_of_Conduct_for_Senior_Management_and_Director.pdf?abc=1

Weblink to our Whistle Blower Policy: <https://www.dwarikesh.com/pdf/2018/Whistle-Blower-Policy.pdf>

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

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Not Applicable as no disciplinary actions have been taken against our Directors/KMPs/ employees/workers for FY 21-22 and FY 22-23.	
KMPs		
Employees		
Workers		

6. Details of complaints about conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	There were no cases received related to conflict of interest of directors in both the financial years 2022-23 and 2021-22.			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	There were no cases received related to conflict of interest of KMPs in both the financial years 2022-23 and 2021-22.			

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

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

Leadership Indicators

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

Total number of Awareness programmes held	Topics / principles covered under the training	% Age of value chain partners covered (By value of business done with such partners) under the awareness programmes
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We conduct seminars and awareness programs to educate the farmers about the latest techniques to improve the yield per hectare. Further, we provide inputs for better agri-practices, and provide them with fertilizers and pesticides at subsidized prices. Additionally, we have been assisting farmers with crop assessment through the use of satellite data.

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

The Company has internal control systems and policies in place to manage conflict of interest involving members of the board. We also have a code of conduct for senior management and directors in place to manage conflict of interests among them which can be accessed through https://www.dwarikesh.com/pdf/2018/Code_of_Conduct_for_Senior_Management_and_Director.pdf?abc=1

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



We at Dwarikesh Sugar Industries Limited, believe that sustainable production and consumption are inextricably linked, and that they both contribute to improving the quality of life and protecting and preserving the earth’s natural resources. In the manufacturing of our products, we prioritize safety and resource efficiency.



Essential Indicators

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

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	-	-	We do not have a separate department categorized as R&D. Our research and development activities are embedded within our Capex expenditure as mentioned below.
Capex	INR 97.02 million	INR 3.16 million	<ol style="list-style-type: none"> 1. We have implemented the zero liquid discharge (ZLD) process within DSIL to ensure that no industrial effluents are released into the environment. It is accomplished by first recycling wastewater, followed by recovery and reuse for industrial purposes. 2. We have installed a Condensate polishing unit (CPU) in the distillery for treating and removal of trace dissolved minerals and suspended matter to remove all soluble impurities and protect the high-pressure boilers.

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, we have procedures for sustainable sourcing as we engage in procuring the basic raw material-Sugarcane from the local farmers/Nearby farmers, supporting their individual livelihoods.

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

Yes, 100% of inputs were sourced sustainably as we procure all our raw materials from the farmers, who deliver the material on their tractor trolleys at the main gate of the plant. We arrange the pickup for the remaining sugarcane at the centres which are closer to the farmer's village to facilitate the offloading of sugarcane. Once the offloading of raw material is done from these centres, we arrange for the transportation of sugar cane to the plant by our own transportation.

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

Sugar is the primary product of the Company. The primary cane crushing process produces molasses, which is used to make ethanol. Bagasse and discarded wash, two byproducts of the sugar production operations, are employed as fuels to produce clean energy.

Incineration facilities create boiler ash, an essential soil fertilizer that is high in organic carbon and potash. To further improve the soil's ability to store water and turn rich potash into an agricultural input, we have started giving farmers free boiler ash. The organization disposes the boiler ash in an eco-friendly manner by bio-composting and making manure, which is then combined with press mud. A considerable amount of waste generated through our production is recycled effectively and we ensure minimal environmental damage.

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

Yes, as a registered brand owner, DSIL is covered by Extended Producer Responsibility and the Company adheres to the Plastic Waste Management Rules, 2016 as it generates category II plastic waste which is recycled responsibly by third party recyclers. As of 31st March 2023, the Company has recycled 100% of plastic waste amounting to 863.90 MT.

According to the guidelines we generate category II plastic packaging waste which is recycled responsibly by third party.

Leadership Indicators

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

NIC Code	Name of Product/ Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the weblink.
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No, DSIL provides the highest quality sugar produced in India while incorporating sustainable practices throughout the production and distribution cycles. However, no Life Cycle Assessment is carried out for our products. We ensure that all our operations and activities follow the national and regional regulations to keep our environmental and social impact at a minimum level.

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

Name of Product/Service	Description of the risk/concern	Action Taken
DSIL is dedicated towards providing highest quality sugar produced in India using industry best practices and following a sustainable model of production and distribution. However, no Life Cycle Assessment is carried out for our products.		

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Bagasse	This is not applicable as we do not recycle or reuse any of the input materials.	
Molasses	Our production processes and products at Dwarikesh are designed in a manner and are of such nature that minimizes the need for recycling, reusing or safe disposal of our products and packaging. Our focus is on creating sustainable products that are safe to use and dispose of and have a minimal environmental impact.	

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

We recycle our plastic packaging waste and hazardous waste as per CBCB guidelines and we do not produce E-waste as all the E waste for example: Printer, at the end of life is sold in the buyback schemes offered by the hardware companies.

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	-	863.9 MT	-	-	375 MT*	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	0.6 MT	-	-	-	-

**As per the Government regulations, in the previous year it was mandatory for the Company to recycle 30% of the total waste generated. Hence, the number is less as compared to the number reported in the current year. For FY 2022-23, the government has made it mandatory to recycle 100% of the waste generated. All the waste generated in the current year is recycled completely through authorized third-party vendors.*



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

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

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

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



Diversity and inclusion are critical to an organization's success, and we at DSIL support all policies and practices that promote equity, dignity, and well-being. We strive to provide a positive work environment for all employees involved in our business operations as well as all value chain partners.

Essential Indicators

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

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	465	-	-	370	79.5%	-	-	-	-	-	-
Female	15	-	-	5	30%	15	100%	-	-	-	-
Total	480	-	-	375	78.1%	15	100%	-	-	-	-
Other Than Permanent Employees											
Male	Nil										
Female	Nil										
Total	Nil										

b. Details of measures for the well-being of workers:

Category	% Of employees covered by										
	Total (A)	Health insurance		* Accident insurance		*** Maternity benefits		** Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	924	924	100%	924	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	924	924	100%	924	100%	-	-	-	-	-	-
Other Than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

*Accident insurance is only provided to workers and employees operating heavy machinery and who are exposed to risks related to work.

** There are no benefits as paternity leaves

***None amongst the workforce took maternity leave during the financial year 2022-23.

2. Details of retirement benefits.

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

* Gratuity is a terminal benefit which is paid the Company to the employee and the same is over and above the CTC as contractually agreed.

3. Accessibility of workplaces

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

Our offices are accessible to differently abled visitors and employees. To ensure smooth movement for persons with disabilities we have built ramps and inculcated the Company owned means of transport for the mobility of such personnel within our organization and we are focused on improving the facilities as and when the need arises. While our plants and factories do not currently have provisions for differently abled employees and visitors, we are committed to improving our facilities and making them more inclusive as and when the need arises. We believe in creating a welcoming and accessible environment for all members of our community and will continue to explore ways to ensure that everyone can participate fully in our operations.

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

At DSIL, we are committed to ensuring equal opportunities for all individuals, regardless of their background or identity. Although we have not yet created a formal equal opportunity policy, we have integrated this principle into our Code of Conduct as part of our commitment to creating a diverse and inclusive workplace. You can find a link to our Code of Conduct below.

Web link to our code of conduct: https://www.dwarikesh.com/pdf/2018/Code_of_Conduct_for_Senior_Management_and_Director.pdf?abc=1



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

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

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

	(If yes, then give details of the mechanism in brief)
Permanent Workers	<p>The Grievance Redressal Forum has been established in order to provide the best forum for open discussion and to settle all workplace related grievances at the local level with the involvement of labour representatives and the management. The major goal is to create the best working circumstances, a positive workplace culture, and to help our employees form a relationship of trust with their employer.</p> <p>The forum's members gather whenever a complaint is raised or made by an individual. Additionally, it gives the employee the freedom to express their opinion or ideas.</p> <p>We have set up three boxes near our time office in each unit and Cane Department for the farmers out of which 2 are for Suggestions and one of them is a Grievance box set up near the time office.</p>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	480	205	42.7%	464	195	42%
Male	465	205	44%	450	195	43%
Female	15	-	-	14	-	-
Total Permanent Workers	924	750	81.1%	901	770	85%
Male	924	750	81.1%	901	770	85%
Female	-	-	-	-	-	-

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

Category Benefits	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation**		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	465	224	48.17%	29	4.73%	457	123	27%	-	-
Female	15	3*	20%	-	-	15	-	-	-	-
Total	480	227	47.29%	29	4.73%	472	123	26%	-	-
Workers										
Male	923	923	100%	-	-	942	405	43%	-	-
Female	1	1	100%	-	-	-	-	-	-	-
Total	924	924	100%	-	-	942	405	43%	-	-

*Training given only to female employees at Dwarikesh Nagar unit on health and safety measures

**Trainings in skill upgradation include certified masterclass for expertise on POSH, Certificate Masterclass on Effective HR Audit by CII, Training Program on Managing High Performance Teams & Conflict through Transactional Analysis, Masterclass on GST, Modelling of Indian sugar industry in diversification era.

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

Category*	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	465	465	100%	457	457	100%
Female	15	15	100%	15	15	100%
Total	480	480	100%	472	472	100%
Workers						
Male	923	923	100%	942	942	100%
Female	1	1	100%	-	-	100%
Total	924	924	100%	942	942	100%

10. Health and safety management system:

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

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

We have displayed signboards and precaution signs in the plant to warn against hazardous areas and other risk related zones and we have also made it mandatory for all personnel to wear a helmet before entering the premises as it is crucial for individual safety.

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

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

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



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

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

The management conducts periodic plant and safety inspections, coupled with audits to enhance process effectiveness and compliance.

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

The Company has created medical hospitals in two manufacturing units. We also have another medical facility, The Narbada Medical Centre, which is accessible to all the workers and employees. The center operates all 7 days and has emergency and first aid facility along with general OPD and ambulance facility for patients

We also conduct various health awareness camps annually wherein doctors specializing in various fields are invited for medical diagnosis and treatment for all:

1. Annual Vision test is conducted for the employees in collaboration with the CL Gupta Institute, Muradabad
2. We also conduct vaccination camp for the children of employees.
3. We collaborate with Max Hospital and Metro Hospital regularly to organize a heart, lung, and Orthopedic camp.
4. Dental & oral hygiene camp is also organized
5. Physiotherapy camp is organized
6. Yoga camps are organized regularly
7. Blood Donation camp is organized regularly, and participation is voluntary
8. Vaccination camp for Hepatitis-B, Typhoid, Covid is being organized on a regular basis
9. Immunization of children is being organized under universal immunization program introduced by the government
10. Frequent medical checkup of Employees is also taken care of especially those who are working in sensitive areas like Bio-composting site, Distillery plant, Hazardous prone stations, and employees in the sugar plant

As of December 2022, we have treated and diagnosed 9,923 patients including our employees and workers.

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

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0*	0*
	Workers	-	-
Total recordable work-related injuries	Employees	2	-
	Workers	5	11
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**Total lost Time Injury Frequency Rate (LTIFR) is negligible.*

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

In order to ensure a safe and healthy workplace, we have constituted a Works Committee to resolve problems at the grassroots level with joint participation of the workmen and the management.

The members of the works committee meet before and after the crushing season to review the previous year working progress and provide new suggestions about the safety of workplace and what measures should be taken to ensure the workers are safe and have access to a hygienic workplace.

Additionally, we hold quarterly meetings of the safety committee where suggestions are made regarding how to ensure a safe and healthy workplace, concerns regarding current suggestions are addressed, and new suggestions are discussed.

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

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

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety			We have not received any complaints on working conditions and health and safety in both FY 2022-23 and FY 2021-22. However, we do have processes and systems in place to address complaints and grievances of our employees and workers. These include Grievance Redressal Forum and Works Committee. Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redress) Act, we have also established an Internal Complaints Committee at all our offices and units, which is chaired by Ms. Priyanka G. Morarka. The committee has not received any complaints in both FY 2022-23 and FY 2021-22.			

14. Assessments for the year

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices Working Conditions	We make sure that all rules are followed, and precautions are taken to make the workplace safe and healthy for our employees. As and when required measures like infrastructure improvement, cleanliness drives are taken up at all units & offices.

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

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



Leadership Indicators

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

Yes, we provide Mediclaim Policy as recommended by UP Sugar Mills Association (UPSMA) to our wage workers, senior and junior executive grade workers to cover them for critical illness.

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

We make every attempt to uphold transparency and trust across operations, most of our value chain partners are farmers, and we don't have a procedure or policy in place to verify their statutory dues. The organization's cane management practices also follow government regulations and are coordinated with cane centers. They also include regular scheduling, smooth inventory management, timely procurement, and rapid payment. Additionally, in order to make it practical for farmers, we introduced the e-Mitra app, which allows users to track payments and increase systematic confidence.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	None of the employees were affected due to work related injuries.		Rehabilitation and resettlement is not applicable as there were no affected employees or workers.	
Workers				

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

Yes, we provide transition assistance programs to our workers and employees to ensure continued employability and management of career endings due to retirement.

5. Details on assessment of value chain partners:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety conditions	No assessment has been carried out for any of the value chain partners for health and safety and working conditions, however we are mindful that all rules and regulations are followed to avoid any health-related risks and make it a safe workplace for all.
Working conditions	

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

Since we do not carry out any assessment for our value chain partners, corrective actions are not applicable regarding the same.

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



Beyond shareholders and investors, a variety of stakeholders make up the eco-system in which our businesses operate, and as a result, our actions have an impact on the environment, communities, and natural resources. We make sure that the interests of all parties, especially those who might be weak or marginalized, are safeguarded. We also recognize that it is our duty to maximize the beneficial effects of our operations, products, and practices on all our stakeholders while minimizing and mitigating their negative effects.

Essential Indicators

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

In order to establish a fruitful and open partnership, we engage with our stakeholders to forge enduring bonds built on trust and a desire to collaborate. We define our stakeholders to be persons, organizations or groups which have a substantial influence on and are significantly affected by the way in which we do business. With a variety of channels, such as meetings, CSR reports, Annual Sustainability Reports and Press Releases etc., we regularly engage with stakeholders through an active sharing of relevant information, and we ensure a two-way communication with all our stakeholders to ensure effective business growth.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	No	Community meetings	As required	Improving infrastructure, bringing Quality education within reach, providing relief to the needy
Farmers	No	E-Mitra app, IVR calling, messages	As required	Training on agricultural practices, distribution of pesticides at subsidized prices, Provision of Soil testing etc.
Employees	No	Notice Board, WhatsApp, Verbal communication	As required	Training and Development, General Discussions, and briefings.
Community health centers (CHC)	No	Phone/WhatsApp /Face to Face meeting	As required	Current vaccination, Investigation and health care
Technology Vendors	No	Email	As required	System upgradation/ routine check up
Customers	No	Face to face	As required	Redressal of grievances
Regulators	No	As per the necessary means	As required	Compliance check

Leadership Indicators

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

We constantly work towards addressing the concerns that are most important to our stakeholders and our business in this rapidly changing environment. Understanding these challenges is something we always strive to achieve since doing so enables us to define our strategic priorities and communicate with our stakeholders about the topics that matter most to them. Additionally, we interact with various stakeholder groups to learn about their opinions and worries on the important issues that have been highlighted. It aids in the definition of these tangible elements and the construction of a roadmap for long-term value. Additionally, the material components are selected and shortlisted through this assessment.



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

Yes, stakeholder consultation is crucial to the Company’s operations as it is committed towards addressing and safeguarding the interests and concerns of its stakeholders regarding the identification of the key issues which are material to their business. We ensure the same by investing in environmentally friendly processes and technologies that help us in mitigating and minimizing any negative impact. For its key stakeholder, the farmers, we have made efforts to address their concerns by improving their standard of living through our CSR initiatives and obtaining cane at fair and better prices.

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

Farmers are one of the most important stakeholders for our business and we ensure that we maintain cordial relationships with them and ensure that their grievances and issues are addressed effectively. We have taken several initiatives to address concerns of our primary vendors, the farmers:

1. Seminar and awareness programs to educate the farmers of the latest techniques to improve the yield per hectare.
2. Free and subsidized distribution of pesticides and fertilizers
3. Crop assessment with the help of satellite data.
4. Fiscal assistance in the form of sponsoring function for distribution of credit cards to farmers under the aegis of banks
5. Installation of deep submersible pumps for facilitating irrigation.
6. Prompt payment to farmers for sugarcane supplies.
7. Provision of good quality agrochemicals at subsidized rates through the Kisan Sewa Kendras of our sugar mills.
8. Tie-up with various banks for arranging loans at attractive interest rates.

Our unique way of promoting and nurturing farmer relations and evolving progressive partnerships with our other vendors and customers has helped us in multiple ways. It has helped us build a reputation for credibility, integrity, loyalty, and goodwill. And together, these values have helped drive our success story...a story of excellence that spans the entire gamut of our business.

Principle 5: Businesses should respect and promote human rights



Human rights are intrinsic freedoms that every person has the right to exercise individually or collectively, without hindrance. The group, joint venture, suppliers, and everyone else with whom we operate are all subject to the values outlined in our code and rules, which include respect for the human rights and dignity of all stakeholders. The Company intends to deepen skill development, strengthen behavioral and inter-personal capabilities, and define career paths deeper for individual and organizational clarity.

Essential Indicators

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

The senior management at DSIL participated in an online workshop programme on sexual harassment at work (Prevention, Prohibition, and Redressal)- POSH, which was conducted by the International Business Intelligence (IBI).

The training program focused on providing understanding on the importance of the law, introduction to the concept of sexual harassment and related terms through case studies, videos, real life examples and grievance redressal mechanism for addressing any harassment issues.

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	480	29	4.73%	457	-	-
Other than permanent	-	-	-	15	-	-
Total employees	480	29	4.73%	457	-	-
Workers						
Permanent	924	-	-	942	-	-
Other than permanent	1,563	-	-	1,394	-	-
Total workers	2,487	-	-	2,336	-	-

*Due to COVID-19, no trainings were held in the financial year 2021-22.

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

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum wage		More than Minimum wage		Total (D)	Equal to Minimum wage		More than Minimum wage	
		No. (B)	% (B/A)	No. (C)	%		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	465	-	-	465	100%	422	-	-	422	100%
Female	15	-	-	15	100%	15	-	-	15	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	923	-	-	923	100%	942	-	-	942	100%
Female	1	-	-	1	100%	-	-	-	-	-
Other than permanent										
Male	1,563	1,137	72%	426	28%	1,393	1,103	79%	290	21%
Female	-	-	-	-	-	1	-	-	1	100%



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

(₹ in lakhs)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	439.12	1	-
Key Managerial Personnel	1	49.91	-	-
Employees other than BoD and KMP	434	35.48	15	24.56
Workers	327	3.71	-	-

Note:

- The median remuneration herein above is derived as a simple average annual salary of the remuneration paid to the lowest & highest paid employees in each group
- Remuneration figures of all the employees include salary, taxable allowances, Bonus, Ex-gratia, Leave encashment, commission & value of perquisites as per Income tax rules.
- Sitting fees paid to Independent Directors are not considered in the above table.
- The above table does not include seasonal employees as they are employed for part of the year only

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

Our HR department handles all issues related to human rights including complaints and grievances. Our code of conduct and Whistle Blower Policy are well defined when it comes to protecting the rights of our stakeholders and we are committed towards the same. For safety of women at workplace, we have also set up an Internal Complaints Committee at all of our units and offices under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act led by Ms. Priyanka G. Morarka. No complaints have been received by the committee in the current or previous year.

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

The Grievance Redressal Forum has been established in order to provide an opportunity for open discussion and to settle all workplace-related grievances at the local level with the involvement of labour representatives and the management.

The aim is to create the best working circumstances, a positive workplace culture, and to help our employees form a relationship of trust with their employer. Further, we also have an Internal Complaints committee which focusses on addressing issues pertaining to sexual harassment and ensuring safety at the workplace.

Whistle Blower policy is also established as a forum to ensure transparency and ethical business conduct wherein all employees and management can voice their concerns.

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

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

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

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

There were no cases reported on sexual harassment and discrimination, however if any such situation arises, the complainant can submit a complaint to his or her Company supervisor and they can also submit a complaint to the Internal Complaints Committee which investigates the matter with utmost priority and provides a satisfying resolution to the complainant.

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

Yes, the principles and guidelines stated in our Code of Conduct highlight the importance of the various human rights aspects and ensures that those principles are adhered to by all the stakeholders to ensure respect towards human rights. All the matters related to human rights are addressed effectively by the concerned departments.

9. Assessments of the year

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	We do not conduct any assessment regarding these issues, however with proactive vigilance, we make sure that child labor is not practiced, and any other type of harassment is avoided. Our code of conduct also mentions harassment free workplace.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	

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

No such cases yet, but in case of any situation which arises we do have processes and policies to address concerns related to human rights, however in case of any unforeseen situation we will ensure that appropriate corrective action is taken.

Leadership Indicators

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

We have various dedicated committees’ setup in our organization which oversees the incidents related to different matters.

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

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

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

Yes, our offices are designed to ensure accessibility to differently abled visitors

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	We do not assess our value chain partners for any of these issues, but we make sure that they adhere to our policies and code of conduct.
Discrimination at workplace	
Child labor	
Forced/involuntary labor	
Wages	
Others – please specify	



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

No concerns have been reported in the current reporting cycle. Hence, no corrective actions were required

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



We believe, the well-being of society and sustained economic progress depends on environmental stewardship. In order to promote national self-reliance and environmental integrity, we anticipate moving from the production of lifestyle-focused goods to a resource with a higher throughput. We also aim to leave the shadow of cyclicalities behind and achieve corporate sustainability.

Essential Indicators

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A) (Bagasse + Slop+ Corporate offices)	GJ	5,32,880.26	4,93,949.81
Total fuel consumption (B) (Diesel)	GJ	67.54	78.40
Energy consumption through other sources (C)	GJ	-	-
Total energy consumption (A+B+C)	GJ	5,32,947.8	4,94,028.21
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ/INR	0.00002	0.00002

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

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

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

No, we have not identified any sites as designated consumers as Perform, Achieve, Trade (PAT) scheme of Government of India is not applicable for DSIL.

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kiloliters/year)		
(i) Surface water:	-	-
(ii) Groundwater	12,43,064	8,77,487
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	12,43,064	8,77,487 *
Total volume of water consumption (in kilolitres)	12,43,064	8,77,487
Water intensity per rupee of turnover (liter/rupee)	0.059	0.041

* Dwarikesh Dham manufacturing unit has taken steps towards value addition by installing a distillery. This initiative resulted in an increase in water withdrawal in FY22-23, since it requires a specific amount of water to function effectively.

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

No, there are no assessments currently being done by any third party. However, an assessment is carried out at an internal level. It's as per meters installed at source. Meters are sealed and certified by meteorological department of state.

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

Yes, we have installed a CPU plant in our distillery along with a MEE slope fired boiler, making it a Zero Liquid Discharge facility at Dwarikesh Nagar and Dwarikesh Dham.

- We have implemented zero liquid discharge (ZLD) process within DSIL to ensure that no industrial effluents are released into the environment. It is accomplished by first recycling wastewater, followed by recovery and reuse for industrial purposes.
- We have installed a Condensate polishing unit (CPU) in the distillery for treating and removal of trace dissolved minerals and suspended matter to remove all soluble impurities and protect the high-pressure boilers.

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

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
1. Sugar Unit, Dwarikesh Nagar			
NOx	Mg/nm ³	7.1	8.1
SOx	Mg/nm ³	3.2	4.6
Particulate Matter (PM)	Mg/nm ³	73.26	111.96
Others- Carbon Mono oxide (CO)	Mg/nm ³	0.20	0.16
2. Sugar Unit, Dwarikesh Dham			
NOx	Mg/nm ³	-	-
SOx	Mg/nm ³	-	-
Particulate Matter (PM)	Mg/nm ³	54.2	64.9
Others- Carbon Mono oxide (CO)	Mg/nm ³	0.16	0.15
3. Sugar unit, Dwarikesh Puram			
NOx	Mg/nm ³	-	-
SOx	Mg/nm ³	-	-
Particulate Matter (PM)**	Mg/nm ³	73.9	86.1
Others- Carbon Mono oxide (CO)	Mg/nm ³	0.18	0.16



Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
4. Distillery unit, Dwarikesh Nagar			
NO _x	Mg/nm ³	69.7	67.6
SO _x	Mg/nm ³	32.6	30.5
Particulate Matter (PM)	Mg/nm ³	45.8	37.6
Others- Carbon Mono oxide (CO)	Mg/nm ³	0.21	0.20
5. Distillery unit, Dwarikesh Dham			
NO _x	Mg/nm ³	84.6	-
SO _x	Mg/nm ³	52.4	-
Particulate Matter (PM)	Mg/nm ³	46.1	-
Others- Carbon Mono oxide (CO)	Mg/nm ³	0.22	-

Note: There are no Persistent Organic Pollutants (POP), Volatile organic pollutants (VOC) and Hazardous Air Pollutants (HAP) emitted.

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

Yes, the above-mentioned numbers are the results of evaluation carried by Enviro-Tech Services.

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

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 Emissions* (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ eq/Mwh	11.07	12.85
Total Scope 2 emissions** (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ eq/Mwh	96.20	72.48
Total Scope 1 and Scope 2 emissions	tCO ₂ eq/Mwh	107.27	85.33
Total Scope 1 and Scope 2 emissions per rupee of turnover	(tCO ₂ eq/Mwh/ Rupee)	0.0005	0.0005

*Scope 1 Emissions are from Dwarikesh Nagar, Dwarikesh Dham, Dwarikesh Puram which depicts the extent of greenhouse gas emissions that are emitted through the Company owned assets.

**Scope 2 Emissions are from our corporate offices at various locations in Delhi, Maharashtra, and Uttar Pradesh which captures the greenhouse gas emissions through purchased electricity.

As part of our commitment to sustainability, we are pleased to report that our overall scope 1 and 2 emissions amount to 107.28 tco₂eq (grid electricity for offices and diesel consumed in DG sets). We are also proud to highlight the success of our CO₂ scrubber installation, which has mitigated 5167.61 tco₂eq of CO₂ emissions (which is accounting to 48 times of our total emissions), exceeding our expectations and reducing our carbon footprint significantly.

By installing the CO₂ scrubber, we could capture the carbon emissions from our fermentation process and convert them into liquid Co₂ which would otherwise have been accounted for in scope 1 emissions, accounting for the Co₂ emissions through our fermentation process during the manufacturing of ethanol. We strive towards becoming a net zero organization through our continued efforts in this aspect.

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

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

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

We have not initiated any project. However, we are mindful of our operations and have been fulfilling the regulations and have taken several initiatives to reduce and control our stack emissions in each reporting cycle.

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	863.9	375.0
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery Waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)-oil and grease	0.6	1.3
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	864.5	376.3

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

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

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

Category of waste		
(i) Recycled	864.5	376.3
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	864.5	376.3

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

Category of waste		
(i) Incineration	-	1.3
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	1.3

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

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

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

To advance research and development, boiler ash, which is regarded as waste, is utilized. Mineral concentration was confirmed to be high. The Company advocates the use of ash in farms based on further research on the test results. By increasing soil porosity, this procedure has made it possible for the soil to hold more water. Farmers have been waiting outside plants for the boiler ash because of the efficient results. Considering this, here is how we turned trash into wealth.

Furthermore, by installing efficient treatment plants, we have made sure that water coming out of our factories is clean and pollution-free. Discharged effluent after treatment is clear and adequately meets the stipulated norms by the pollution control authorities.



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

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance is being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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No, we do not have offices/plants located in any of the ecologically sensitive areas

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent External agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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We are conscious of our environmental actions and our sugar manufacturing operations. However, we do not conduct EIA for our projects.

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

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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Yes, we are following all applicable environmental laws, regulations, and guidelines in India

Leadership Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources (In Gigajoules)		
Total electricity consumption (A) (Bagasse + Slop)	5,31,769.98	4,93,055.02
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	5,31,769.98	4,93,055.02
From non-renewable sources (In Gigajoules)		
Total electricity consumption (D) (Corporate offices)	432.91	326.2
Total fuel consumption (E) (Diesel)	67.54	78.40
Energy consumption through other sources (F)	-	-
Total energy consumed from	500.45	404.24

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

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

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	-	-
- With treatment – discharge after secondary & tertiary treatment*	5,74,469	5,68,121
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	5,74,469	5,68,121

*The total water discharged is for Sugar units only.

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

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

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

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

The Company has operations in 3 locations,

- Dwarikesh Nagar- Bundki Village, Bijnor District, Uttar Pradesh 246762
Extremely fertile, well irrigated land, dozen kms. away from the banks of river Ganga.
- Dwarikesh Puram- Bahadurpur village, Dhampur Tehsil, Bijnor District, Uttar Pradesh
Fertile and well-nourished land, with river Ganga flowing just a few kilometers away
- Dwarikesh Dham- Faridpur Tehsil, Bareilly district, Uttar Pradesh
Low lying region with fertile alluvial soil, on the banks of river Ganga.
 - Name of the area:** we do not have operations in water stressed areas
 - Nature of operations:** Sugar Manufacturing
 - Water withdrawal, consumption, and discharge in the following format:**



Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others (Recycled) Recovered water from Treated Effluent		
Total volume of water withdrawal (in kiloliters)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment		Since we do not have operations in water stressed areas, water discharge is not applicable
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		Since we do not have operations in water stressed areas, water discharge is not applicable
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		Since we do not have operations in water stressed areas, water discharge is not applicable
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		Since we do not have operations in water stressed areas, water discharge is not applicable
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		Since we do not have operations in water stressed areas, water discharge is not applicable
- With treatment – please specify level of treatment		

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

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

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

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions* (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent		

We are not accounting our Scope 3 emissions as yet. Going forward, we are aiming to identify the various avenues of our Scope 3 emissions in due course.

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

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

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

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

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

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

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Use of released emissions to operate distillery unit	<p>DSIL used the bagasse emissions that were emitted to run its distillery unit. We made an investment in cutting-edge bag filter technology to treat boiler fuel gas. It met all requirements defined by MOEF.</p> <p>To reduce ambient air pollution caused by suspended particulate matter, we added an electro-static precipitator, wet scrubbers, and bag filters (benchmark below 150 PPM and target below 100 PPM).</p> <p>To reduce ambient air pollution caused by suspended particulate matter, we added an electro-static precipitator, wet scrubbers, and bag filters (benchmark below 150 PPM and target below 100 PPM). We also installed sewage treatment facilities in all of our units (equalization tank, sewage tank and an aeration tank, among others) and also held regular lectures to inform staff about environmental policies during the off-crushing season.</p> <p>Annual Report: https://www.dwarikesh.com/Annual%20Report%202021-22%20(1).pdf</p>	Environmental innovation, employee awareness building, reduced emissions, and sustainable technology adoption
2.	Effluent Management	<p>The Company made investments in cutting-edge technologies for effluents treatment and air quality preservation during the commissioning of all our distillery plants.</p> <p>Continuous distillation under vacuum was introduced to the zero effluent treatment unit to reduce spent wash to 8 kl per kl of alcohol production. The spent wash was concentrated in a multi-effect evaporator, and the generated slop was supplied to the boiler as fuel.</p> <p>Annual Report: https://www.dwarikesh.com/Annual%20Report%202021-22%20(1).pdf</p>	Zero Liquid Discharge, environmentally responsible organization



S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
3.	Renewable Energy Initiative	<p>DSIL invested in advanced equipment and technology to conserve electricity and use it judiciously. As a long-term hedge, the organization has generated proprietary renewable (co-generated) power. During the period between 2021-22, the DSIL consumed 1,418 lakh units within its system and sold 1,595 lakh units to the state electricity grid.</p> <p>DSIL also switched from using incandescent lights to LEDs in order to save more energy. In order to promote the use of green energy, the Company also installed solar energy panels in R. R. Morarka Public School.</p> <p>Annual Report: https://www.dwarikesh.com/Annual%20Report%202021-22%20(1).pdf</p> <p>We also provide Solar energy equipment such as solar powered Geysers and electric lights for workers and villages in the neighboring districts. This is to advance the initiative towards Akshya Urja (Renewable energy) program of Government of India</p>	Energy Conservation and sustainable operations
4.	Sulphate removal from Spray Pond and cooling Tower water overflow	<p>In Sugar units, for creating vacuum, cold water is required. Since sugar syrup is clarified by SO₂ gas, some sulphates dissolves in this water. During discharge of surplus water from these spray ponds/ cooling towers, it creates environmental concerns. DSIL evolved a technology to treat this water to remove the sulphates effectively.</p>	The water discharged is as per the CPCB norms, with no negative environmental impacts.

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

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

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

Currently we are not monitoring or assessing our value chain partners. However, we try to ensure that the value chain partners are adhering to the environment and social rules and regulations of the state, and they also are following our code of conduct. We provide press mud to be used as biofertilizer to reduce the dependence on chemical fertilizer which helps in enhancing the soil health.

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

None of our value chain partners were assessed for environmental impacts, since we do not conduct any assessment for our value chain partners.

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



We at DSIL conduct our business within certain national and international legal and policy frameworks, which guide our development and provide several desired constraints. We have implemented and are continually working to strengthen our corporate governance practices to fulfil the demands of our stakeholders and our societal commitments. In order to do this, we uphold high ethical standards, make sensible business decisions, employ cautious financial management strategies, are professional in our decision-making, and strictly adhere to legal regulations while operating our business.

Essential Indicators

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

We are affiliated with 3 trade and industry chambers including Federation of Indian Chambers of Commerce & Industry (FICCI), Indian Sugar Mills Association (ISMA) and UP Sugar Mill Association (UPSMA)

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

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
2.	Indian Sugar Mills Association (ISMA)	National
3.	UP Sugar Mill Association (UPSMA)	State

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

Name of authority	Brief of the case	Corrective action taken
No corrective action has been carried out for anti-competitive conduct since we do not have any cases pertaining to the same		



Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/ Quarterly / Others – please specify)	Web Link, if available
At DSIL, we do not engage in public policy advocacy					

Principle 8: Businesses should promote inclusive growth and equitable development



As a responsible corporate citizen, DSIL believes in empowering the local communities through socio-economic development and our Corporate Social Responsibility (CSR) plays a significant role in helping us achieve our goal and strengthening our commitment towards society.

We have a formal CSR policy in place which have been implemented under the guidance of a focused committee and senior management and through this policy we have ensured development of communities through various initiatives focusing on education and infrastructure development, skill development, women empowerment, health, and well-being.

As a step towards providing quality education, we have made efforts towards infrastructure development through the construction of R.R Morarka Public School and Shree Radheshyam R. Morarka Govt. College along with scholarship programs for the students.

Through the Mahila Vikas initiative, we have set up 222 self-help groups (SHGs) for women as a step towards enhancing their livelihoods and have also provided various skill development trainings to the women which will provide them an opportunity to explore opportunities in which they can support their families.

We constantly work towards enhancing the lives of the communities and creating a positive impact on society.

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Weblink
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Not applicable, as there were no projects that required SIA as per law in the current year.

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% Of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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We do not have any projects that require rehabilitation and resettlement (R&R) as per law in the current year

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

Yes, we do have a redressal mechanism in place for the communities that allow us to exist. However, no complaints were received in either the current or previous year.

Furthermore, the Company has a goal of empowering the underprivileged and weaker sections of society through socio-economic development initiatives.

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

The Company procures sugarcane from thousands of farmers from the neighboring area of the sugar mills. We are interacting with them through SMS & other communication 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 the farmers for planting sugarcane. We provide pesticides to farmers at competitive rates to fight against diseases.

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

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

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Since we do not conduct social impact assessment, no corrective actions to mitigate the negative impacts of the same have been taken	

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

S. No.	State	Aspirational District	Amount spent (In INR)
None of our CSR projects falls under the aspirational districts			



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

We do not have a preferential procurement policy, however sugar manufacturing being a major agricultural activity, farmers are the key vendors from whom we procure sugarcane.

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

We procure 100% of cane from farmers.

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

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

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

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
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We do not engage in intellectual property based on traditional knowledge

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

Name of authority	Brief of the Case	Corrective action taken
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Corrective action is not applicable since we do not engage in any intellectual property activities

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Scholarships to the needy and Meritorious students	DSIL identified meritorious students through scholarships, encouraging them to sustain their studies, remunerating them for education expenses that prevented them from dropping out. 1,000 girls benefitted from this project	100%
2.	Construction of Shree Radheshyam R. Morarka College building	4,900 students are provided education under this initiative where we aided the construction of the college building	Two Post Graduate Colleges were constructed for everyone, with the aim to ensure community education
3.	Education and livelihood to orphan children	DSIL adopted 10 students during the year and provided education, livelihood and training on entrepreneurship skills	100%
4	Mahila Vikas (Women empowerment initiative)	We contributed to the development of 200 rural self-help groups near the factories to support women with their livelihood.	100%
5	Micro-enterprise development training	At DSIL, we gave women training in micro-enterprise development, pickle and disposable plate production, beauty school, tailoring, dairy, and goat farming. Around 150 women were trained in goat husbandry, 180 in producing agarbatti, 150+ in tailoring, and 90 in bag and paper craft , giving them the skills, they require to sustain their families.	100%
6	Cataract operation	In association with Sahai Eye Hospital and Research Center (Jaipur), we organized a free camp for cataract surgeries and 2,208 villagers had a successful cataract operation	100%

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
7	Kisan Club	With the help of the Agriculture Ministry and other allied State and Central Government ministries, we provided services to five Kisan clubs and their 580 members.	100%
8.	Mega Divyang Camp	Mega composite camp was organized for distribution of assistive aid and devices to the disabled people, creating an impact on 256 people with disability	100%
9.	Blood Donation Camp	Team members of respective units and farmers participated in the blood donation camp organized by NDMC and a total of 256 people across the DSIL group donated blood	The blood donation camp was open to all the employees and the community and hence categorization of beneficiaries is not applicable
10.	Annual Multispecialty Medical camp	A team of specialized doctors were a part of the camp for the treatment of various diseases and 700+ patients were diagnosed and provided medications	Medical camps are organized for the well-being of the community.
11.	Inauguration of the Radheyshyam Morarka Shatabdi Bhavan and announcement of scholarships	Radheyshyam Morarka Shatabdi Bhavan was inaugurated on his 100 th Birth Anniversary, worth of ₹4 Crores . Shri Radheyshyam Morarka Smriti Samman & Annual Scholarship for ₹5,100/- was also announced for the students who performed exceptionally in various streams in college. 9 girls were adopted under the Beti Bachao Beti Padoo scheme and were provided with school essential, transportation facilities and a monthly pocket money of ₹2,400/-	Students performing exceptionally were provided scholarships based on merit and categorization of beneficiaries is not applicable
12.	Maintenance of Kasurba Vidhyalay	Repair & maintenance carried out at Kasturba Gandhi School, Faridpur (a government School)	It is a contribution towards our commitment for Girl education
15.	Provision of Solar energy equipment	Provided Solar Geysers and electric lights for workers and villages	An initiative towards Akshya Urja (Renewable energy) program of Government of India
16.	Donation of School Bus	Donated CNG School Bus to Radhyshyam Morarka Saraswati Vidhya Mandir Meerut a residential School, and a CBSE School for weaker section giving education to children who were engaged in rag picking and adopted by school	An initiative to uplift and educate marginal society kids and also ensuring reducing carbon emission in transporting students to school.
17.	Provision of Safe drinking water at schools	We have provided equipment to access safe drinking water at our educational facilities for children	This initiative helps in easy access to safe and healthy drinking water for children in our schools.

Weblink to CSR policies- <https://www.dwarikesh.com/pdf/2021/Policy-on-Corporate-Social-Responsibility.pdf>

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





At Dwarikesh, we are committed to providing our consumers with goods and services that are not only safe to use but also create value for them. We strongly believe in the freedom of choice for consumers and strive to offer competitively priced products that are easy to use and dispose of in an environmentally friendly manner. Our ultimate vision is to be a shining example of a virtuous and ethical corporate citizen, dedicated to the well-being of our consumers and the planet.

Essential Indicators

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

We believe in investing in people and processes to foster an outperformance culture and increase value through optimal resource integration. We currently have vendor relationships with over 1.54 lakh farmers and are committed to addressing issues raised by our value chain partners through one-on-one counselling with immediate and satisfactory resolutions.

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

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

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

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

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

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

	Number	Reasons for recall
Voluntary recalls	No instances of product recalls were recorded	No product recalls were received in terms of safety of our product
Forced recalls		

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

No, although we don't currently have a formal cybersecurity framework or policy in place, we prioritize the security of our internal systems and hardware. Our servers are restricted to internal use only and protected by a firewall, and we take steps such as regular software updates to ensure their continued security. Additionally, we have adopted SAAS services to further enhance our cybersecurity measures. Any issues related to cybersecurity and data privacy are promptly addressed through corrective actions, and we have installed firewalls and two servers, including one external server in Delhi, to further secure our operations.

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

We are proud to state that we have had no instances related to cyber security, data privacy, product recalls or regulatory actions, and therefore no corrective actions were required. Our team remains vigilant in ensuring that our systems, products and services adhere to the highest standards of quality and security, and we continue to work towards ensuring that our stakeholders have complete trust in our operations.

Leadership Indicators

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

Our website can be accessed for product-related details. Here is the weblink to our - Products: <https://www.dwarikesh.com/index.html>

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

In order to provide comprehensive information to our valued consumers, we have included our website address on our sugar packaging. This enables our consumers to access any information they may require about our product. Furthermore, we are always available to answer any queries through our email at sales.dn@dwarikesh.com.

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

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

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

No, we follow BIS regulations for the product packaging and information to be contained in the product packaging.

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

No, at this time, we have not conducted any surveys to gather feedback on consumer satisfaction regarding our major products. However, we do regularly engage with our customers to understand their preferences and feedback on our products.

6. Provide the following information relating to data breaches:

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

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

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

There are no instances of data breach in the present year.

Concluding remarks:

At Dwarikesh Sugar, we believe that sustainable and responsible business practices are crucial for the long-term growth and success of our business, while also contributing to the welfare and development of the society and environment we operate in. We are committed to ensuring ethical, transparent, and socially responsible operations across all our business functions. Our efforts towards mitigating various material issues such as climate change, waste management, and labour practices, while tapping into opportunities such as research and development, energy, and emissions management, have helped us create a positive impact on the society and environment we operate in. We remain committed to driving sustainable and responsible business practices and contributing to the development of the communities we serve.



Financial Statement

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, 2023, 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, 2023 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.



Key Audit Matters	Auditor's Response
<p>Determination of Cost of Production (COP) and Net Realizable Value (NRV) of Finished Goods and By-Products for valuation of inventory:</p> <p>As on March 31, 2023, the Company has inventory of finished goods, by-products and work in progress with a carrying value of ₹ 516.76 Crores. The inventory of finished goods viz. Sugar and ethanol is valued at the lower of COP and NRV whereas the inventory of by-products viz. molasses and bagasse is valued at NRV/Derived NRV. We considered the value of the inventory of finished goods and by-products as a key audit matter given the relative value of inventory in the financial statements and significant judgement involved in determination of COP and also the consideration of factors such as minimum sale price, monthly quota, and fluctuation in domestic and international selling prices in determination of NRV.</p>	<p>Principal Audit Procedures</p> <p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of COP and NRV/Derived NRV. We reviewed the cost records maintained by the management and examined the documents maintained by the management for computing the COP and NRV/ Derived NRV with reference to the principles prescribed under Ind AS-2 on "Inventories". We considered various factors including the prevailing unit specific domestic selling price of the products during and subsequent to the year end, yield of ethanol from "B" Heavy Molasses, prevailing selling price of "C" Heavy Molasses, contracted selling price of the products in respect of contracted sales (including exports contracts) , Molasses Policy of State Government for determination of levy obligation of molasses as prevailing as on the date of our audit and initiatives taken by the Government with respect to sugar industry as a whole, for determination of NRV/ Derived NRV of the products.</p> <p>Based on the above procedures performed, the management's determination of COP and NRV/ derived NRV of finished and by-products as at year-end and the comparison of COP with NRV for the valuation of inventory is considered to be reasonable.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and Business Responsibility & Sustainability 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.

Responsibilities of Management and Those Charged with Governance 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.

Other Matter

- i) The Audited Financial Statements for the year ended March 31, 2022 have not been audited by us but audited by the previous auditors who expressed unmodified opinion vide their Auditor's Report dated 02.05.2022.

Our opinion on the Statement is not modified in respect of this matter.



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, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
 - 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: we report that 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 litigation as at March 31, 2023 on its financial position in its financial statements – Refer Note 42 to 44 to the financial statements;
 - ii. The Company did not have any long term contracts, including derivatives contracts, for which there were any material foreseeable losses as at March 31, 2023;
 - 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, 2023.
 - 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 (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other 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 have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused 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 16 to the financial statements:
- (a) The interim dividend declared in the previous year but paid by the company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The interim dividend declared during the year but paid by the company in next financial year and until the date of this report is in compliance with Section 123 of the Act.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account

using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for Financial Year ended 31st March, 2023.

FOR MITTAL GUPTA & CO.
Chartered Accountants
FRN 01874C

(Bihari Lal Gupta)
Partner

Membership No. 073794
UDIN: 23073794BGWGZW2238

Place: Mumbai
Date: 27.04.2023



‘Annexure A’ to the Independent Auditor’s Report to the members of Dwarikesh Sugar Industries Limited on its financial statements dated April 27, 2023.

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

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

- i. (a) (A) The Company has maintained 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 (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), 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 as at March 31, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) 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 46 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of primary security of current assets of the Company but utilization of sanctioned limits has been allowed by the lenders based drawing power calculated on the basis of value of stocks reported in the weekly stock statements. The management represented us that the reconciliations of value of stocks reported in the weekly stock statements for last week of each quarters with the books as on the dates of end of each quarter are practically impossible as the dates of weekly stock statements for the last week of each quarter do not coincide with the quarters end date. It is further represented that the value of stock as stated in the stock statements and as recorded in the books at quarter end will always differ on account of valuation differences which have been explained in details in the said note. It is further represented that the lenders allows utilization of drawing power based on the valuation of stock at bank rates and not at the rates at which they are recorded in the books at quarter/year end and hence, the comparison of the value of stock is of no significance. They further represented that the company is having surplus liquidity and has not even fully utilized the working capital facilities available to draw based on the stock statements, therefore, the reconciliation ought to be made of the quantities reported by the management in the weekly stock statements with the books of account to find out misstatement, if any, by the management in the said stock statements. We have verified the quantity of stock of various items and the value of store and spares as stated in the stock statement of last week of each quarters with the books of account and other records maintained by the company, and report that there

are no material differences in the quantity of various inventories and value of stores and spares as stated in the weekly stock statements in comparison to the books of account and other records.

- iii According to the information and explanations given to us, the Company has not made any investment in or 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 during the year. 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 in respect of Loans granted, Investments made and guarantees and securities provided, as applicable.
- 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 has generally been regular in depositing its undisputed statutory dues including provident fund, income-tax, goods and service tax, duty of excise, cess and any other material statutory dues, as applicable, with the appropriate authorities. Employees' state insurance, sales-tax, services tax, duty of customs and value added tax are 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 not deposited on account of dispute along with the forum where the dispute is pending is 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
Finance Act, 1994	Service Tax	3.25	0.29	2.96	June 2016 to June 2017	Commissioner (Appeal)
Central Excise Act, 1944	Excise Duty	1.27	Nil	1.27	April 2006 to December 2006	Allahabad, High Court
Income Tax Act, 1961	Income Tax*	1,986.65	Nil	1,986.65	A.Y. 2021-22	CPC, Income Tax, Bengaluru
Income Tax Act, 1961	Income Tax	1.41	Nil	1.41	A.Y. 2019-20	CPC, Income Tax, Bengaluru

* The income tax demand for AY 2021-22 has been arisen on processing of ITR u/s 143(1) of the Income Tax Act on account of certain additions/disallowance. The management has filed application u/s 154 of the Act as all those additions are factually incorrect and not in accordance with the provisions of the Act

- 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 and no material 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) No report under sub-section(12) of section 143 of Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditor) Rules, 2014 with the Central Government during the year up to the date of this report.
- (c) According to the information & explanations and representation made by the management, no whistleblower 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) According to the information and explanations given to us, including representation from the management, there is not more than one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. In our opinion, and according to the information and explanations provided to us, the Company has not incurred cash losses in the current financial year 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.

- (b) There are no unspent amounts pursuant to ongoing projects 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 MITTAL GUPTA & CO.
Chartered Accountants
FRN 01874C

(Bihari Lal Gupta)

Partner

Membership No. 073794

UDIN: 23073794BGWGWZ2238

Place: Mumbai

Date: 27.04.2023



‘Annexure B’ to the Independent Auditor’s Report to the members of Dwarikesh Sugar Industries Limited (‘the Company’) on its financial statements dated April 27, 2023.

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 4(f) of ‘Report on Other Legal and Regulatory Requirements’ section

We have audited the internal financial controls with reference to Financial Statements of **Dwarikesh Sugar Industries Limited** (“the Company”) as of March 31, 2023 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 with reference to Financial Statements 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company’s internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control with reference to Financial Statements 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 with reference to Financial Statements

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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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 with reference to Financial Statements and such internal controls with reference

to Financial Statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Statements issued by the Institute of Chartered Accountants of India.

FOR MITTAL GUPTA & CO.

Chartered Accountants

FRN 01874C

(Bihari Lal Gupta)

Partner

Membership No. 073794

UDIN: 23073794BGWGWZ2238

Place: Mumbai

Date: 27.04.2023



Balance Sheet

as at March 31, 2023

CIN: L15421UP1993PLC018642

(₹ In Lakhs)

	Note No.	As at March 31, 2023	As at March 31, 2022
I. ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	3	57,868.43	38,613.63
(b) Right-of-use assets	3 a	361.83	196.24
(c) Capital work - in - progress	4	-	14,250.32
(d) Intangible assets	3	-	-
(e) Financial assets			
(i) Investments	5	32.20	31.90
(ii) Others	6	313.24	153.51
(f) Deferred tax assets (net)	7	368.59	2,463.00
(g) Income tax assets (net)	8	2.71	25.47
(h) Other non - current assets	9	477.89	1,532.80
		59,424.89	57,266.87
(2) Current assets			
(a) Inventories	10	56,069.29	75,769.75
(b) Financial assets			
(i) Trade receivables	11	7,154.69	3,453.24
(ii) Cash and cash equivalents	12	66.78	23.26
(iii) Bank balances other than (iii) above	13	3,917.96	3,831.78
(iv) Others	14	13.87	3.33
(c) Other current assets	15	1,353.12	1,605.37
		68,575.71	84,686.73
Total assets		1,28,000.60	1,41,953.60
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	16	1,883.01	1,883.01
(b) Other equity	17	72,096.39	65,445.71
		73,979.40	67,328.72
(2) Liabilities			
(I) Non - current liabilities			
(a) Financial liabilities			
(I) Borrowings	18	21,422.15	20,092.28
(II) Lease Liabilities	19	302.89	80.61
(b) Provisions	20	2,465.36	2,227.87
(c) Other non-current liabilities	21	4.17	63.39
		24,194.57	22,464.15
(II) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	15,653.59	32,114.80
(ii) Lease Liabilities	23	88.70	126.78
(iii) Trade payables	24		
(a) Total outstanding dues of the Micro and, Small Enterprises		279.81	160.57
(b) Trade payables other than (a)above		5,227.33	9,521.16
(iv) Other financial liabilities	25	7,073.29	8,537.55
(b) Other current liabilities	26	591.73	434.59
(c) Provisions	27	495.41	440.73
(d) Current tax liabilities (net)	28	416.77	824.55
		29,826.63	52,160.73
Total equity and liabilities		1,28,000.60	1,41,953.60

Significant accounting policies

1 & 2

The accompanying notes from 1 to 65 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 Mittal Gupta & Co.
Chartered Accountants
Firm Regn. No. 01874C

G. R. Morarka
Executive Chairman
DIN: 00002078

Vijay S. Banka
Managing Director
DIN: 00963355

Bihari Lal Gupta
Partner
Membership No. 073794

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

Sunil Kumar Goel
Chief Financial Officer

Place: Mumbai
Date: April 27, 2023

Place: Mumbai
Date: April 27, 2023

Statement of Profit and Loss for the year ended March 31, 2023

CIN: L15421UP1993PLC018642

	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
(₹ In Lakhs)			
I. Income			
Revenue from operations	29	2,10,296.00	1,97,871.27
Other income	30	1,404.33	323.46
II. Total income		2,11,700.33	1,98,194.73
III. Expenses			
Cost of materials consumed	31	1,42,446.15	1,37,180.81
Purchases of stock-in-trade	32	896.79	533.36
Changes in inventories of finished goods and work-in-progress	33	20,137.80	10,276.92
Employee benefits expense	34	11,802.85	9,629.50
Finance costs	35	2,584.74	3,165.77
Depreciation and amortization expenses	36	5,023.64	4,362.92
Other expenses	37	13,720.50	11,177.97
Preoperative & trial period expenses capitalised	38	(162.72)	-
IV. Total expenses		1,96,449.75	1,76,327.25
V. Profit before exceptional items and tax (II - IV)		15,250.58	21,867.48
VI. Exceptional items		-	-
VII. Profit before tax (V+VI)		15,250.58	21,867.48
VIII. Tax expense:			
(a) Current tax	39	2,653.58	3,851.41
(b) Adjustment of tax relating to earlier years		(0.12)	(0.06)
(c) Deferred tax charge/(credit)	7	2,116.06	2,494.58
IX. Net Profit for the year (VII - VIII)		10,481.06	15,521.55
X. Other comprehensive income/(loss)			
A (i) Items that will not be reclassified to profit or loss	40	(86.00)	55.64
(ii) Income tax relating to items that will not be reclassified to profit or loss		21.65	(19.78)
Total other comprehensive income/(loss), net of taxes		(64.35)	35.86
XI. Total comprehensive income for the year (IX + X)		10,416.71	15,557.41
XII. Earning per equity share (face value ₹ 1 per share)			
(i) Basic		5.57	8.24
(ii) Diluted		5.57	8.24

Significant accounting policies

1 & 2

The accompanying notes from 1 to 65 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 Mittal Gupta & Co.

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B. J. Maheshwari

Managing Director & CS cum CCO
DIN: 00002075

Sunil Kumar Goel

Chief Financial Officer

Place: Mumbai

Date: April 27, 2023

Place: Mumbai

Date: April 27, 2023



Cash Flow Statement for the year ended March 31, 2023

CIN: L15421UP1993PLC018642

(₹ In Lakhs)

	Year ended March 31, 2023		Year ended March 31, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		15,250.58		21,867.48
Adjustments for :				
Depreciation and amortization expenses	5,023.64		4,362.92	
Loss/(profit) on sale of property, plant and equipment (net)	33.01		6.02	
Finance costs	2,584.74		3,165.77	
Interest income on bank deposit & income tax refund	(972.18)		(53.01)	
Interest income on financial assets carried at amortised cost	(127.67)	6,541.54	(193.22)	7,288.48
Operating profit before working capital changes		21,792.12		29,155.96
Adjustments for changes in Working Capital :				
(Increase)/Decrease in :-				
Inventories	19,700.46		9,760.88	
Trade and other receivables	(3,338.11)		7,237.38	
Trade and other payables	(3,824.02)	12,538.33	(8,602.55)	8,395.71
Cash generated from operations		34,330.45		37,551.67
Direct taxes (paid)/refund (net)		(2,944.03)		(3,695.03)
Net cash from operating activities		31,386.42		33,856.64
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment & intangible assets and capital work in progress (including capital advances)	(9,867.90)		(16,090.85)	
Investment made during the year	-		(20.00)	
Proceeds from sale of property, plant and equipment	78.47		15.97	
Proceeds from investment redeemed during the year	-		20.00	
Changes in fixed deposit & Others balances with bank (Net)	(235.27)		(3,740.61)	
Interest received	874.13		49.86	
Net cash used in investing activities		(9,150.57)		(19,765.63)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from long term borrowings	8,137.86		10,422.14	
Repayment of long term borrowings	(5,015.40)		(4,868.30)	
Proceeds/(repayment) of short term borrowings (net)	(18,251.70)		(13,911.56)	
Interest paid	(3,113.29)		(3,190.34)	
Equity Dividend paid during the period	(3,766.00)		(2,353.77)	
Lease liability paid during the period	(183.80)		(180.74)	
Net cash used in financing activities		(22,192.33)		(14,082.57)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		43.52		8.44
Cash and cash equivalents at the beginning of the year		23.26		14.82
Cash and cash equivalents at the end of the period		66.78		23.26

Cash Flow Statement

for the year ended March 31, 2023

CIN: L15421UP1993PLC018642

Notes:

1. Cash and cash equivalents at the end of the year comprise:

(₹ In Lakhs)

	Year ended March 31, 2023		Year ended March 31, 2022	
i) Current accounts	52.39		9.45	
ii) Cash on hand	14.39		13.81	
iii) Fixed Deposit	-		-	
Total		66.78		23.26

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.

Significant accounting policies

1 & 2

The accompanying notes from 1 to 65 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 Mittal Gupta & Co.
Chartered Accountants
Firm Regn. No. 01874C

G. R. Morarka
Executive Chairman
DIN: 00002078

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Partner
Membership No. 073794

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

Sunil Kumar Goel
Chief Financial Officer

Place: Mumbai
Date: April 27, 2023

Place: Mumbai
Date: April 27, 2023



Statement of Change in Equity for the year ended March 31, 2023

CIN: L15421UP1993PLC018642

A. Equity Share Capital

(₹ In Lakhs)

	As at March 31, 2023	Change during the year	March 31, 2022	Change during the year	April 1, 2021
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, 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 declare/ 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
Add : Profit for the year	-	-	10,481.06	-	-	-	-	-	10,481.06
Less : Dividend declare/ paid during the year	-	-	(3,766.03)	-	-	-	-	-	(3,766.03)
Add : Other comprehensive income (net of income tax)	-	-	-	-	-	0.23	-	(64.58)	(64.35)
Balance as at March 31, 2023	59.87	14,688.11	53,521.07	3,862.00	127.57	10.34	-	(172.57)	72,096.39

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.

Statement of Change in Equity for the year ended March 31, 2023

CIN: L15421UP1993PLC018642

- (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 equity share warrants.

Significant accounting policies 1 & 2

The accompanying notes from 1 to 65 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 Mittal Gupta & Co.

Chartered Accountants

Firm Regn. No. 01874C

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Managing Director & CS cum CCO

DIN: 00002075

Sunil Kumar Goel

Chief Financial Officer

Place: Mumbai

Date: April 27, 2023

Place: Mumbai

Date: April 27, 2023



Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

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: 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 Thursday, April 27, 2023.

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 lakhs and two decimals thereof, except as otherwise stated.

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

Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

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 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



Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

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 (PPE) are tangible items that are held for use in the production or supply of goods and services, rental to others or for administration purposes and are expected to be used during more than one period.

The cost of an item of Property, Plant and Equipment (including related subsequent costs) is being recognised as an asset if and only if, It is probable that future economic benefit associated with item will flow to the Company and cost of the item can be measured reliably.

Freehold lands are at cost.

Other items of 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 and trial run expenditure incurred up to the date of commencement of commercial production is capitalized as part of property, plant and equipment.

Items of spare parts, stand by equipment's and servicing equipment which meet the definition of Property, Plant and Equipment are capitalised. Other spare parts are carried as inventory and recognised in statement of Profit & Loss on consumption. When parts of an item of PPE have different useful lives, they are accounted for as separate components.

Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

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 depreciation 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, depreciation 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



Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

(*) 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.

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 as under:

Raw Materials & Components (including those in transit)	At purchase cost including incidental expenses on FIFO basis
Chemicals, packing material and other store & spares (including those in transit)	At purchase cost including incidental expenses on weighted average basis.
Finished Goods/work-in-progress:	
1. Sugar	1. At lower of cost or net realizable value.
2. Molasses	
(i) 'C' Heavy	2 (i) At net realizable value.
(ii) 'B' Heavy	2 (ii) At derived net realizable value based on the recovery of ethanol reckoned with respect to the net realisable value of the finished product (including related incidental expenses, wherever applicable) and prevailing 'C' Heavy net realisable value.
3. Industrial Alcohol	3. At lower of cost or net realizable value.
4. Traded Goods	4. At purchase cost including incidental expenses on FIFO basis.

Cost of finished goods and work-in-progress comprises of raw material cost (net realisable value/derived net reliable value, in case of use of by-products as raw material), variable and fixed overheads, which are allocated to work-in-progress and

Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

finished goods on full absorption cost basis. Cost of inventory also includes all other cost incurred in bringing the inventory to their respective present location and condition. Borrowing cost are not included in the value of inventories.

Net releasable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale.

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.



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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 of 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 (before other comprehensive income) 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 (before other comprehensive income) 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 settle 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 an 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:

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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 but disclosed in the financial statements, when probable assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one more uncertain event not wholly with in the control of the Company.

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.

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. Minimum Alternate Tax (MAT) credits is recognised as deferred tax asset only when the assets can be measured reliably and to the extent there is convincing evidence that sufficient profit will be available against which the MAT credit can be utilized by the Company in future. 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.



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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, the Company expect to receive in exchange for those products or services. Revenue is inclusive of excise duty and excluding estimated discounts, pricing incentives, rebate and other similar allowances to the customers and exclusive of GST and other taxes and amount collected on behalf of third party or Government, if any.

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 claim are accounted for on the basis of claims admitted/expected to the admitted and to the extent the amount recoverable can be measured reliably and it is reasonable to expect its ultimate collection.

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

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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 through 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.



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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 debt instrument is measured at the amortized cost. Amortized cost if both the following conditions are met.

- The asset 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 measured 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 comprehensive 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 included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit or loss.

vii. Derecognition

A financial asset (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.

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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 lender on substantially different terms, or the terms of an existing liability are, substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying 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.



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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.

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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".

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3. Property, plant and equipment & intangible assets

	(₹ In Lakhs)										
	A. Property, plant and equipment					B. Intangible Assets			Total		
	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Computer softwares (Bought out)	Total (A)	Total (B)	Total (A+B)
Gross Block (at cost)											
As at 01.04.2021	817.60	13,713.50	75,581.07	487.35	735.61	160.78	472.54	209.60	91,968.45	209.60	92,178.05
Additions	-	794.98	1,045.80	31.64	66.60	8.88	105.43	34.22	2,053.33	34.22	2,087.55
Disposals	-	(0.05)	(89.33)	(20.92)	(27.07)	(4.18)	(71.87)	(1.34)	(213.42)	(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	242.48	93,808.36	242.48	94,050.84
Additions	1,795.06	2,451.76	19,626.85	133.17	155.54	13.11	49.28	-	24,224.77	-	24,224.77
Disposals	-	(17.64)	(271.21)	(2.53)	(178.87)	(1.86)	(0.60)	-	(472.70)	-	(472.70)
As at 31.03.2023	2,612.66	16,942.55	95,893.18	628.71	751.81	176.73	554.78	242.48	1,17,560.43	242.48	1,17,802.91
Depreciation/Amortisation											
As at 01.04.2021	-	5,658.23	44,362.76	334.78	277.09	106.10	472.54	209.60	51,211.50	209.60	51,421.10
Charge for the year	-	307.01	3,631.77	23.84	58.49	7.27	105.43	34.22	4,133.81	34.22	4,168.03
Disposals	-	(0.01)	(39.35)	(17.94)	(18.82)	(2.59)	(71.87)	(1.34)	(150.58)	(1.34)	(151.92)
As at 31.03.2022	-	5,965.23	47,955.18	340.68	316.76	110.78	506.10	242.48	55,194.73	242.48	55,437.21
Charge for the year	-	371.15	4,309.57	32.22	59.11	8.87	49.28	-	4,830.20	-	4,830.20
Disposals	-	(8.55)	(202.98)	(1.11)	(118.67)	(1.02)	(0.60)	-	(332.93)	-	(332.93)
As at 31.03.2023	-	6,327.83	52,061.77	371.79	257.20	118.63	554.78	242.48	59,692.00	242.48	59,934.48
Net Block as at 31.03.2023	2,612.66	10,614.72	43,831.41	256.92	494.61	58.10	-	-	57,868.43	-	57,868.43
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

Notes:

- Refer note no 46 for charges.
- From depreciation and amortisation for the period, ₹ 0.16 Lakhs (previous year ₹ 0.37) is transferred to preoperative expenses.
- All immovable properties are held in the name of the Company.



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3. a - Right- of- Use Assets

(₹ In Lakhs)

	Amount
Gross carrying cost - Premises	
As at 01.04.2021	551.33
Additions	113.57
Disposals	-
As at 31.03.2022	664.90
Additions	330.73
Disposals	228.68
As at 31.03.2023	766.95
Amortisation	
As at 01.04.2021	314.26
Charge for the year	154.40
Disposals	-
As at 31.03.2022	468.66
Charge for the year	165.14
Disposals	228.68
As at 31.03.2023	405.12
Net Block as at 31.03.2023	361.83
Net Block as at 31.03.2022	196.24

4 Capital Work in Progress (CWIP):

(₹ In Lakhs)

	Amount
As at 01.04.2021	51.45
Additions	
Expenditure made during the year #	15,806.67
Capitalised during the year	(1,607.80)
As at 31.03.2022	14,250.32
Expenditure made during the year #	7,452.99
Capitalised during the year	(21,703.31)
As at 31.03.2023	-

Includes the finance cost on specific borrowings capitalised during the year amounting to ₹ 326.14 Lakhs (previous year ₹ 62.01 Lakhs using the capitalisation rate of 7.95 % (previous year 7.95 %) per annum being the effective interest rate of the specific borrowings. The Company has not capitalised any borrowing cost on its general borrowings.



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4. Capital Work in Progress (CWIP): # (Contd.)

CWIP Ageing Schedule:

(₹ In Lakhs)

	Amount in CWIP for a period of			Amount
	Less than 1 year	1-2 year	More than 2 years	
As at 31.03.2023				
Projects in Progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
Total	-	-	-	-
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

5. Non-current investments

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
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	11.17	10.87
9,600 (previous year - 9,600) equity shares of ₹ 10 each fully paid up in 'Faridpur Sugars Limited'	1.03	1.03
b) Fair value through profit and loss		
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	20.00
Total non-current investments	32.20	31.90
Aggregate amount of quoted investments and market value	-	-
Aggregate amount of unquoted investments	32.20	31.90
Aggregate provision for impairment in the value of investments	-	-

6. Other non-current financial assets

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good:		
i) Encumbered Fixed deposit (Including interest accrued ₹ 7.78 lakhs (previous year ₹ 8.28 lakhs)*)	252.23	98.10
ii) Security deposits		
(a) Related Parties	-	-
(b) Others	61.01	55.41
Total other non-current financial assets	313.24	153.51

* Held as margin money/security with government departments and others.

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7. Net deferred tax asset /(liabilities)

(₹ In Lakhs)

	As at April 01, 2021	Recognised in Profit & Loss	Recognised in OCI	As at March 31, 2022	Recognised in Profit & Loss	Recognised in OCI	As at March 31, 2023
Deferred tax assets							
i) Provision for doubtful advance	-	0.84	-	0.84	-	-	0.84
ii) Employee retirement benefit	692.03	69.34	(19.92)	741.45	(169.86)	21.72	593.31
iii) Allowability of expenses	224.99	5.90	-	230.89	3.67	-	234.56
iv) Land	1,972.56	114.98	-	2,087.54	100.61	-	2,188.15
v) MAT credit entitlement	8,328.35	(2,900.26)	-	5,428.09	(1,947.98)	-	3,480.11
Total deferred tax assets	11,217.93	(2,709.20)	(19.92)	8,488.81	(2,013.56)	21.72	6,496.97
Deferred tax liabilities							
i) Property, plant and equipment	6,239.37	(214.62)	-	6,024.75	102.50	-	6,127.25
ii) Investment	1.20	-	(0.14)	1.06	-	0.07	1.13
Total deferred tax liabilities	6,240.57	(214.62)	(0.14)	6,025.81	102.50	0.07	6,128.38
Net deferred tax assets/(liabilities)	4,977.36	(2,494.58)	(19.78)	2,463.00	(2,116.06)	21.65	368.59

Note: Deferred tax calculated on land and investment @ 23.296%.

8. Income tax assets (net)

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
Prepaid Taxes	7,446.33	12,602.54
Provision for taxes	(7,443.62)	(12,577.07)
Net income tax assets	2.71	25.47

9. Other non-current assets

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good, unless otherwise stated		
a) Capital advances	94.96	1,139.50
b) Advances other than capital advances:		
Prepayment charges	222.79	111.92
Balances deposit with government authorities under protest	32.23	153.47
Others	127.91	127.91
Total other non-current assets	477.89	1,532.80

10. Inventories

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
(As taken, valued and certified by the Management)		
(Refer note. G of note no. 2 - For valuation method)		
a) Raw materials	125.74	135.90



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10. Inventories (Contd.)

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
b) Work-in-progress (Refer note c of note no. 47)	1,165.27	813.39
c) Finished goods (Refer note c of note no. 47)	50,511.40	71,001.08
d) Stores and spares	3,978.10	3,503.86
e) Chemicals	157.57	176.37
f) Packing material	131.21	139.15
Total inventories	56,069.29	75,769.75

Note: 1st pari-passu charge by way of pledge of stock of sugar and by way of hypothecation of other inventories is created in favour of lenders to secure working capital facilities.

11. Trade receivables

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
Considered good- secured		
Considered good- unsecured: Includes unbilled revenue of ₹ 784.80 Lakhs (previous year ₹ 860.86 Lakhs)	-	-
Trade receivable which have Significant increase in Credit Risk	7,154.69	3,453.24
Trade receivables - credit impaired	-	-
Less: Allowance for expected credit losses	2.41	2.41
Total trade receivables	(2.41)	(2.41)
Total inventories	7,154.69	3,453.24

Trade receivables ageing Schedule:

(₹ In Lakhs)

Particulars	Amount Outstanding for following periods from due date of payment							Total
	Unbilled Revenue *	Not Due	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, 2023								
Undisputed Trade receivables								
(i) Considered good	784.80	5,729.43	640.46	-	-	-	-	7,154.69
(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, 2022								
Undisputed Trade receivables								

Notes to Financial Statements as at March 31, 2023

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11. 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	
(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	-	-	-	-	-	-	-	-

* Represents bills for the month of March which were billed in the subsequent month.

12. Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balance with banks		
On current accounts	52.39	9.45
Cash on hand	14.39	13.81
Total cash and cash equivalents	66.78	23.26

13. Bank balances other than cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
i) Encumbered fixed deposit *	50.65	4.41
ii) Earmarked balance for unpaid dividend	41.13	30.65
iii) Earmarked balance for interim dividend	3,766.03	3,766.03
iv) Earmarked balance in current account for molasses storage funds	60.15	30.69
Total bank balances other than cash and cash equivalents	3,917.96	3,831.78

* Held as margin money/security with government departments and others.

14. Other financial assets

	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good:		
Income receivable and others		
Rent receivable	0.94	2.68
Interest accrued on fixed deposit	9.22	0.22
Security deposit	3.71	0.43
Total other financial assets	13.87	3.33



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15. Other current assets

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
Prepayment charges	510.62	336.82
Balance with government authorities	218.97	1,114.82
Other loans (incl. advances to employees)	29.44	29.09
Advances given to suppliers	374.07	12.48
Government grant receivable (Interest subvention)	220.02	112.16
Total other current assets	1,353.12	1,605.37

16. Equity share capital

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
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.

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, 2023		As at March 31, 2022	
	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

Notes to Financial Statements as at March 31, 2023

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16. Equity share capital (Contd.)

B. Details of shares held by promoters at the end of the year:

Promoter Name	As at March 31, 2023		As at March 31, 2022		% change during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
G. R. Morarka	2,85,67,590	15.17%	2,85,67,590	15.17%	-
G. R. Morarka HUF	63,000	0.03%	63,000	0.03%	-
Pranay G. Morarka	12,49,710	0.66%	12,49,710	0.66%	-
Priyanka G. Morarka	5,12,360	0.27%	5,12,360	0.27%	-
Smriti G. Morarka	10,01,780	0.53%	10,01,780	0.53%	-
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%	-
Morarka Investments Private Limited	28,000	0.01%	28,000	0.01%	-

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

(₹ In Lakhs)

Promoter Name	As at March 31, 2023		As at March 31, 2022	
	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%	2,85,67,590	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

F. The Board of Directors of the Company in its meeting held on March 30, 2023 declared interim dividend of 200% (i.e. ₹ 2/- per share on face value of ₹ 1/- per equity share for the F.Y. 2022-23 and the same is also proposed to be final dividend as resolved in the Board of directors meeting held on April 27, 2023. (in the F.Y. 2021-22, the Company paid total dividend of 325% i.e. ₹ 3.25/- per share on face value of ₹ 1 per equity share which comprised of interim & final dividend of ₹ 2 per share for F.Y. 2021-22 and final dividend of ₹ 1.25 per share for F.Y. 2020-21)



Notes to Financial Statements as at March 31, 2023

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17. Other equity

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
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
c) Retained earnings		
Opening balance	46,806.04	37,404.29
Add: Net profit for the year	10,481.06	15,521.55
Less: appropriations		
Dividend paid	3,766.03	6,119.80
Closing balance	53,521.07	46,806.04
d) Capital redemption reserve		
Opening balance	3,862.00	3,862.00
Changes during the year	-	-
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
f) Other Comprehensive Income/(loss)		
Opening balance	(97.88)	(133.74)
Changes during the year	(64.35)	35.86
Closing balance	(162.23)	(97.88)
Total other equity	72,096.39	65,445.71

18. Long-term borrowings (refer Note. 46 for security & repayment terms)

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
Secured		
Term loans*		
From banks	21,467.20	20,212.54
Less : Ind AS adjustment	(45.05)	(120.26)
	21,422.15	20,092.28
Total long term borrowings	21,422.15	20,092.28

* Term loan raised during the year have been used for the same purpose for it was drawn.

19. Lease Liabilities

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	302.89	80.61
Total Lease Liabilities	302.89	80.61

Notes to Financial Statements as at March 31, 2023

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20. Provisions (non-current)

	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity	2,050.82	1,848.84
Leave encashment	414.54	379.03
Total provisions (non-current)	2,465.36	2,227.87

21. Other non-current liabilities

	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Deferred Government grant	4.17	63.39
Total other non-current liabilities	4.17	63.39

22. Short term borrowings (refer Note. 46 for security terms)

	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Secured		
Loan payable on demand:		
From banks (cash credit)	8,839.09	17,160.27
Current maturities of long term debts		
Term loans	6,883.20	5,027.20
Less: Ind AS adjustment	(68.70)	(3.19)
	6,814.50	5,024.01
Commercial Paper	-	9,930.52
Total short term borrowings	15,653.59	32,114.80

23. Lease Liabilities

	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	88.70	126.78
Total Lease Liabilities	88.70	126.78

24. Trade payables

	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
a) Micro and small enterprises* (note 49)	279.81	160.57
b) Others	5,227.33	9,521.16
Total trade payables	5,507.14	9,681.73

* 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.



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24. Trade payables (Contd.)

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, 2023							
Undisputed Dues							
(i) MSME	-	275.59	4.22	-	-	-	279.81
(ii) Others	259.83	3,649.16	1,308.96	4.76	4.62	-	5,227.33
Disputed Dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	259.83	3,924.75	1,313.18	4.76	4.62	-	5,507.14
As at March 31, 2022							
Undisputed Dues							
(i) MSME	-	160.57	-	-	-	-	160.57
(ii) Others	138.77	8,065.95	1,295.55	4.62	7.75	8.52	9,521.16
Disputed Dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	138.77	8,226.52	1,295.55	4.62	7.75	8.52	9,681.73

25. Other current financial liabilities

(₹ In Lakhs)

	As at March 31, 2023	As at March 31, 2022
a) Unpaid dividend*	41.13	30.65
b) Interim Dividend	3,766.03	3,766.03
c) Other payables		
Employee benefits	1,219.12	700.74
Remuneration-due to directors	525.31	523.45
Capital goods creditors	39.08	1,303.21
Security/Retention money payable	1,225.50	1,943.62
Others	257.12	269.85
Total other current financial liabilities	7,073.29	8,537.55

* There are no amounts outstanding in respect of unpaid dividend for more than seven years to be transferred to Investor Education and Protection Fund.

Notes to Financial Statements as at March 31, 2023

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26. Other current liabilities

	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
a) Advance from customer and others {Including amount payable to related parties of ₹ 0.40 lakhs (previous year ₹ 0.40 lakhs)}	98.69	51.83
b) Deferred Government grant	59.22	125.57
c) Other payables Statutory dues payable	433.82	257.19
Total other current liabilities	591.73	434.59

27. Short term provisions

	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity	306.58	272.99
Leave encashment	188.83	167.74
Total short term provisions	495.41	440.73

28. Income tax liabilities (net)

	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Other provisions		
Provision for taxes	2,676.91	3,955.09
Prepaid taxes	(2,260.14)	(3,130.54)
Net income tax Liabilities	416.77	824.55

29. Revenue from operations

	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
(Refer note c of note no. 47)		
a) Sale of products	2,09,141.88	1,97,724.87
b) Other operating revenues	1,154.12	146.40
Total revenue from operations	2,10,296.00	1,97,871.27

30. Other income

	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
a) Interest income		
on deposits with banks	877.61	53.01
on income tax refunds	94.57	-
on excise duty refunds	244.85	-
on financial assets carried at amortised cost	127.67	193.22
b) Rent income	19.78	13.39
c) Miscellaneous income	39.85	63.84
Total other income	1,404.33	323.46



Notes to Financial Statements as at March 31, 2023

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31. Cost of materials consumed

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
a) Raw material consumed		
Sugar cane		
Opening stock	135.90	60.10
Add: purchases	1,38,791.39	1,33,699.30
Less: closing stock	125.74	135.90
	1,38,801.55	1,33,623.50
b) Other materials consumed		
i) Chemicals		
Opening stock	176.37	108.91
Add: purchases	2,447.43	1,988.68
Less: closing stock	157.57	176.37
	2,466.23	1,921.22
ii) Packing Material consumed		
Opening stock	139.15	142.65
Add: purchases	1,170.43	1,632.59
Less: closing stock	131.21	139.15
	1,178.37	1,636.09
Total cost of materials consumed	1,42,446.15	1,37,180.81

32. Purchases of stock-in-trade

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Cane pesticide/ fertiliser purchases	896.79	533.36
Total other income	896.79	533.36

33. (Increase)/decrease in stocks

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
(Refer note c of note no. 47)		
Closing stock		
Finished goods	50,511.40	71,001.08
Work in progress	1,165.27	813.39
	51,676.67	71,814.47
Opening stock		
Finished goods	71,001.08	81,498.72
Work in progress	813.39	592.67
	71,814.47	82,091.39
Net (increase)/decrease in stock	20,137.80	10,276.92
Total (increase)/decrease in stocks	20,137.80	10,276.92

Notes to Financial Statements as at March 31, 2023

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34. Employee benefit expenses

	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Salary, wages, bonus and other payments	10,782.87	8,803.29
b) Gratuity (Refer note. 51)	155.99	148.06
c) Contribution to provident and other funds	694.07	541.81
d) Staff welfare expenses	169.92	136.34
Total employee benefit expenses	11,802.85	9,629.50

35. Finance costs

	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
a) Interest expense		
i) Interest on fixed loans :		
Term loans*	1,557.24	889.32
Others	-	22.62
	1,557.24	911.94
ii) Interest on cash credit and others	502.08	1,668.75
iii) Interest on delayed payment of direct taxes	23.33	103.69
iv) Unwinding of discount (Increase in financial liabilities)	139.84	199.58
v) Financial Interest on lease liability	37.27	22.89
vi) Net interest on defined benefit liability	140.96	129.43
b) Other borrowing costs**	184.02	129.49
Total finance costs	2,584.74	3,165.77

*Interest expenses are net off interest capitalised of ₹ 326.14 lakhs (previous year ₹ 62.01 Lakhs) and are net of interest subvention received from Government of ₹ 364.20 Lakhs (previous year ₹ 254.17 Lakhs)

**Mainly consist of loan processing facilities from banks.

36. Depreciation and amortisation expenses

	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
a) Depreciation		
Depreciation of property, plant & equipments	4,832.05	4,133.44
Obsolescence	28.29	40.86
	4,860.34	4,174.30
b) Amortization		
Amortization of intangible assets	-	34.22
Amortization on Right-of-Use Assets	163.30	154.40
	163.30	188.62
Total depreciation and amortization expenses	5,023.64	4,362.92



Notes to Financial Statements as at March 31, 2023

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37. Other expenses

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Power & Fuel	42.82	53.34
(Net of ₹ 37.57 Lakhs power banked previous year ₹ 36.76 Lakhs)		
Other manufacturing expenses	1,979.11	1,781.76
Repairs to buildings	439.50	554.18
Repairs to machinery	4,146.48	3,952.10
Repairs & maintenance - others	165.69	139.17
Short term lease/low value item lease expenses	3.58	3.30
Insurance	300.36	260.99
Rates and taxes	1,014.05	181.30
Travelling & conveyance	211.32	182.37
Legal & Professional Expenses	312.33	357.98
Security Charges	553.82	483.75
Sugar commission to selling agents	352.60	465.41
Freight and forwarding (net of recovery from customers/Govt. assistance)	3,522.86	1,801.71
Donations & charity	0.43	9.04
Payment to political party	-	200.00
Loss on sale of property, plant and equipment (net)	33.01	6.02
Payment to the auditors [note 47 (a)]	24.32	25.71
CSR expenses [note 47 (b)]	-	298.70
Allowance for expected credit loss	-	2.41
Miscellaneous expenses	618.22	418.73
Total other expenses	13,720.50	11,177.97

38. Preoperative & trial period expenses capitalised

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Preoperative expenses		
Employee benefit expenses	(57.44)	-
Depreciation And Amortization Expense	(2.00)	-
Fuel Expenses	(52.50)	-
Other Expenses	(50.78)	-
Total Preoperative & trial period expenses capitalised	(162.72)	-

39. Tax expenses

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Current year	2,653.58	3,851.41
Total tax expenses	2,653.58	3,851.41

Notes to Financial Statements as at March 31, 2023

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40. Other comprehensive income/(loss)

	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Item that will not be reclassified to profit or loss		
Re-measurement of defined benefit plans	(86.30)	57.00
Fair valuation of non current investment	0.30	(1.36)
Income tax relating to items that will not be reclassified to profit or loss	21.65	(19.78)
Total other comprehensive income/(loss)	(64.35)	35.86

41. Contingent Liabilities & Commitments (to the extent not provided for)

	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
i) Demands being disputed by the Company :*		
Service Tax demands	2.96	2.96
ii) Claims against the company not acknowledged as debts :		
a) Excise Duty demands	1.27	1.27
b) Guarantees issued by bankers on behalf of the Company	1,923.48	421.29
c) In respect of some miscellaneous pending cases	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 ₹ 94.96 (previous year ₹ 1,139.50)	383.91	4,139.35
b) Balance of Investment committed	-	-
c) Other commitments	-	-

* In respect of certain proposed disallowances and additions made by the Income Tax Authorities, application for rectification u/s 154 of the Income Tax Act has been filed with CPC, Bengaluru and adjustment, if any, will be made after the same are finally settled.

The amount shown above represents the best possible estimates arrived on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal process which have been invoked by the company or the claimants as the case may be and therefore it cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

42. 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.



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43. 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 crystallize on the Company in this matter.

44. The Collector and Tax Assessing authorities has raised demands for the arrears of purchase tax for the sugar season 2016-17 aggregating to Rs 88.06 Lakhs along with penalty of Rs 1.05 lakhs in respect of purchase tax due on sugar stock held by mill as on 30.06.2017, the date at which the purchase tax has been subsumed in the Goods and Service Tax. The levy of purchase tax on sugar stock held by the mills as on 30.06.2017 has been challenged by U.P. sugar Association before Lucknow Bench of Hon'ble Allahabad High Court in writ petition No 27169 of 2018 and the same is still pending for adjudication. However, the Hon'ble High Court has advised the authorities to desist from adopting any coercive measure till the final decision of the case. Based on the legal review of the facts of the case, the management estimates that the probabilities of crystallization of aforesaid demand is remote and therefore no provision for the same is required as on date.

45. Leases

Following are the changes in the carrying value of other right of use assets for the year ended March 31, 2023:

The aggregate depreciation expense on ROU (Right-of-use) assets is included under depreciation and amortization expense in the statement of Profit and Loss.

A. Right to Use of Assets

(₹ In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	196.24	237.07
Additions during the year	330.73	113.57
Disposal during the year	-	-
Depreciation during the year	165.14	154.40
Closing Balance	361.83	196.24

B. Lease Obligation (As a lessee):

The Company has lease contracts for premises having lease terms of 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets.

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

(₹ In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	207.39	251.67
Additions during the year	330.73	113.57
Finance cost accrued during the year	37.27	22.89
Payment of lease liabilities	(183.80)	(180.74)
Closing Balance	391.59	207.39

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45. Leases (Contd.)

C. Following is the break-up of current and non-current lease liabilities

(₹ In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities- Non Current	302.89	80.61
Lease Liabilities- Current	88.70	126.78
Total	391.59	207.39

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

The weighted average incremental borrowing rate applied is 7.50 to 8.75 %

(₹ In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	118.63	183.84
One to five years	367.64	441.18
More than five years	-	-
Total	486.27	625.02

Rental expenses recorded for short term lease for the current year is ₹ 3.58 lakhs (Previous year ₹ 3.30 lakhs).

46. Securities for Borrowings

Abbreviations:

DN - Dwarikesh Nagar Unit	PNB- Punjab National Bank
DP - Dwarikesh Puram Unit	ICICI- ICICI Bank Ltd.
DD - Dwarikesh Dham Unit	O/S- Amount outstanding
ROI- Rate of interest	Qtly.- Quarterly

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 - ₹ 3,362.00 Lakhs (₹ 6,051.60 Lakhs)	2,689.60 (2,689.60)	672.40 (3,362.00)	Pari-passu charge on fixed assets: Ist on DN, DP & DD	ROI - 5% - 15 monthly installments of ₹ 224.13 lakhs each payable in April, 23 and onwards.
PNB Sanctioned - ₹ 11,688 Lakhs O/S - ₹ 6,428.40 Lakhs (₹ 8,766.00 Lakhs)	2,337.60 (2,337.60)	4,090.80 (6,428.40)	Pari-passu charge on fixed assets: Ist on DN	ROI - 8.50% - 12 qtlly installments of ₹ 584.40 lakhs each payable from April, 23 and onwards.
PNB Sanctioned - ₹ 18,560 Lakhs O/S - ₹ 18,560.00 Lakhs (₹ 10,422.14 Lakhs) (under disbursal)	1,856.00 -	16,704.00 (10,422.14)	Pari-passu charge on fixed assets: Ist on DD	ROI - 7.95% - 20 qtlly installments of ₹ 928 lakhs each payable from Dec, 23 and onwards.



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46. 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
Total term loans from Banks O/S - ₹ 28,350.40 Lakhs (₹ 25,239.74 Lakhs)	6,883.20 (5,027.20)	21,467.20 (20,212.54)		
ii) Short Term Borrowings:				
Cash Credit				
PNB (Incl. commercial paper ₹ nil (previous year ₹ 9,930.52 lakhs) Sanctioned - ₹ 8,000 Lakhs	2,142.08 (10,153.01)	- -	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- 8.30% per annum
PNB - WCDL Sanctioned - ₹ 27,000 Lakhs	6,500.00 (16,937.79)	- -		-ROI- 8.30% per annum
ICICI Sanctioned - ₹ 10,000 Lakhs	197.01 -	- -		-ROI- 8.55% per annum
Total short term borrowings	8,839.09 (27,090.80)	- -		

Term Loans and cash credit from banks aggregating to ₹ Nil (previous year - ₹ 46,278.94 Lakhs) are personally guaranteed by the Executive Chairman of the company out of which the company has given Counter guarantees of ₹ Nil (previous year - ₹ 35,856.80 Lakhs) to him to secure all these personal guarantees.

Note: Figures in the brackets are for the previous year.

Difference between the value as per books of accounts and as per quarterly statement submitted to lenders:

The Company has been sanctioned and availed working capital finance of more than five crores during the year from consortium lenders against primary security of current assets. As per terms and conditions, the drawing power for utilization of the sanctioned working capital facilities is determined based on the value of stock reported to the banks on weekly basis. Accordingly, the date of stock statements submitted to the bank during the last week of each quarter during the year may not coincide with the last date of respective quarter end and hence, reporting of the difference in the value of stocks as reported in weekly stock statement with the value appearing in the books of account is practically not possible as in the books the inventory of finished goods and by products are valued only at quarter end for the purpose of quarterly financial results. The management confirms that there are no material differences between the value of store and spares, and the quantity of stocks of sugar, molasses and ethanol, as reported in the aforesaid weekly stock statements for the respective quarters and the value of stores and spares and quantity of stock of sugar, molasses and ethanol

Notes to Financial Statements as at March 31, 2023

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46. Securities for Borrowings (Contd.)

as appearing in the books of accounts and stock records being maintained by the company. However, the following differences with regards to the adoption of valuation rates exist between the weekly stock statements and books of accounts: -

- Stock of sugar is valued at the minimum support price announced by Central Government in the weekly stock statement but is valued at lower of cost of production or net realizable value in the books of account at the time of preparation of quarterly financial statements.
- Stock of ethanol is valued at the price as fixed by Central Government in the weekly stock statement but is valued at lower of cost of production or net realizable value in the books of account at the time of preparation of quarterly financial statements.
- Stock of "B" Heavy Molasses is valued at the price agreed with the lenders in the weekly stock statement but is valued at derived net realizable value in the books of account at the time of preparation of quarterly financial statements.

Due to aforesaid reasons, there will be always be mismatch in the value of stock as reported in the weekly stock statements and in the value as disclosed in the books of account. However, for the sake of reporting the value of stock of sugar, molasses, ethanol as reported in the last week of each quarter and the value of the value of aforesaid stocks as reported in the quarterly / annual financial statements is tabulated as under: -

(₹ In Lakhs)			
Quarter ending	Date of Weekly Stock Statement	Value as per quarterly return/ statement filed with lenders	Value as per books of account/ quarterly/ yearly financial statements
30-Jun-22	27-Jun-22	54,391.95	54,306.10
30-Sep-22	26-Sep-22	9,417.81	10,335.89
31-Dec-22	28-Dec-22	20,856.80	27,080.85
31-Mar-23	30-Mar-23	49,160.42	54,778.28

47. Other disclosures :

a) Auditors remuneration

(₹ In Lakhs)		
	Year ended March 31, 2023	Year ended March 31, 2022
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
iv) Out of pocket Expenses	0.32	0.21
Total	24.32	25.71

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, 2023	Year ended March 31, 2022
1. Gross amount required to be spent by the company during the year	274.46	216.12
Total (A)	274.46	216.12
2. Amount spent during the year		
i) Construction/Acquisition of any Asset		
-In Cash	87.90	221.65
-Yet to be paid in Cash	-	-



Notes to Financial Statements as at March 31, 2023

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47. Other disclosures : (Contd.)

ii) On purpose other than (i) above		
-In Cash	31.56	77.05
-Yet to be paid in Cash	-	-
Total (B)	119.46	298.70

Various heads which the CSR expenditure were incurred in cash is detailed as follows:-

(₹ In Lakhs)

Particulars	Relevant clause of Schedule VII to the Companies Act, 2013	Year ended March 31, 2023 *	Year ended March 31, 2022
(a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water	Clause (i)	22.29	77.05
(b) Promoting education, including special education and employment enhancing vocational training and livelihood enhancement project	Clause (ii)	87.90	221.65
(c) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4[including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	Clause (iv)	9.27	-
Total		119.46	298.70
* Expenditure incurred through R R Moraka Charitable Trust		65.69	221.65

Details of Unspent amount under Section 135 (5) -

Opening Balance	Amount deposited in specified fund of Sch VII within Six months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
				Nil

Details of Unspent amount under Section 135 (5) -

(₹ In Lakhs)

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
301.40	274.46	119.46	146.40

Details of Ongoing Projects along with- In case of S. 135(6) (Ongoing Project) (to be given year-wise)

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's Bank Account	From Separate CSR Unspent Account	From Company's Bank Account	From Separate CSR Unspent Account

NIL

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47. Other disclosures : (Contd.)

*Aforesaid amount will be utilized as per the applicable provisions of the Companies Act.

c) Particulars of revenue from operations & inventory

Revenue from operations:

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
i) Sugar	1,46,344.01	1,55,922.11
ii) Molasses	627.72	1,097.94
iii) Power	4,861.48	5,057.12
iv) Bagasse	2,789.50	2,438.08
v) Ethanol	53,132.19	32,458.19
vi) Sale of traded goods - pesticides/fertiliser etc.	792.30	465.13
vii) Other residual sale	594.70	286.30
viii) Other operating revenue	1,154.10	146.40
Total revenue from operations	2,10,296.00	1,97,871.27

Inventory:

Finished goods

Opening stock

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
i) Sugar	62,821.20	77,156.02
ii) Molasses	8,115.74	4,147.41
iii) Ethanol	62.74	187.09
iv) Others	1.40	8.20
Total	71,001.08	81,498.72

Closing stock

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
i) Sugar	33,649.61	62,821.20
ii) Molasses	15,261.58	8,115.74
iii) Ethanol	463.79	62.74
iv) Others	1,136.42	1.40
Total	50,511.40	71,001.08

Work in progress

Opening stock

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
i) Sugar	496.85	448.04
ii) Molasses	206.36	104.31
iii) Ethanol	110.18	40.32
Total	813.39	592.67



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47. Other disclosures : (Contd.)

Closing stock

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
i) Sugar	558.25	496.85
ii) Molasses	207.97	206.36
iii) Ethanol	399.05	110.18
Total	1,165.27	813.39

Raw materials, chemicals and packing material consumed

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Sugar cane	1,38,801.55	1,33,623.50
Chemicals	2,466.23	1,921.22
Packing material	1,178.37	1,636.09
Total	1,42,446.15	1,37,180.81
Indigenous (100%)	1,42,446.15	1,37,180.81
Imported (0%)	-	-
Total	1,42,446.15	1,37,180.81
CIF value of imports	Nil	Nil

48. Earning per share:

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Net Profit for the year	10,481.06	15,521.55
Profit attributable to equity share holders	10,481.06	15,521.55
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	5.57	8.24
Diluted	5.57	8.24

49. 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:

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49. The micro, small and medium enterprises development (MSMED) act, 2006 (Contd.)

(₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
a) Principal amount and Interest due thereon remaining unpaid to any supplier at the end of accounting year.	279.81	160.57
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.	-	-

50. Segment information for the year ended March 31, 2023 prepared under Ind AS 108

(i) Information about primary business segment

(₹ In Lakhs)

	Sugar	Co-generation	Distillery	Adjustment	Total
Revenue					
External revenue	1,51,881.11	5,065.37	53,349.52		2,10,296.00
	(1,60,089.24)	(5,161.36)	(32,620.67)		(1,97,871.27)
Internal revenue	56,093.42	26,850.75	-	(82,944.17)	-
	(30,968.30)	(25,208.70)	-	(56,177.00)	-
Total income from operations	2,07,974.53	31,916.12	53,349.52	(82,944.17)	2,10,296.00
	(1,91,057.54)	(30,370.06)	(32,620.67)	(56,177.00)	(1,97,871.27)
Results					
Segment results	836.15	8,632.14	8,640.78		18,109.07
	(6,106.71)	(8,958.84)	(11,535.52)		(26,601.07)
Less: unallocated expenditure (net of income)					273.75
					(1,567.82)
Interest					2,584.74
					(3,165.77)
Profit/(loss) before exceptional item and tax					15,250.58
					(21,867.48)
Exceptional item					-
					-
Profit/(loss) before tax					15,250.58
					(21,867.48)
Tax expense					4,769.52
					(6,345.93)
Net Profit/(loss) for the period after tax					10,481.06



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50. Segment information for the year ended March 31, 2023 prepared under Ind AS 108 (Contd.)

(i) Information about primary business segment					(₹ In Lakhs)
	Sugar	Co-generation	Distillery	Adjustment	Total
					(15,521.55)
Other information					
Segment assets	70,470.55	17,619.27	34,806.17		1,22,895.99
	(93,867.60)	(15,567.12)	(25,790.70)		(1,35,225.42)
Unallocable corporate assets					5,104.61
					(6,728.18)
Total assets					1,28,000.60
					(1,41,953.60)
Segment liabilities	10,972.29	27.52	1,126.56		12,126.37
	(16,554.44)	(40.74)	(281.59)		(16,876.77)
Unallocable corporate liabilities					41,894.83
					(57,748.11)
Total liabilities					54,021.20
					(74,624.88)
Capital expenditure	2,873.58	7,092.22	14,258.97		24,224.77
	(1,761.44)	(71.78)	(254.33)		(2,087.55)
Depreciation/obsolescence	1,944.32	1,822.75	1,093.27		4,860.34
	(2,148.98)	(1,632.61)	(581.33)		(4,140.08)

Revenue in respect of captive power produced from co-generation plant has been arrived at based on the industrial rates at which power supplied by State Electricity Board.

(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.

Particulars	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operation		
Domestic	1,74,820.96	1,89,246.27
Overseas (including merchant export of ₹ 35,475.04 (previous year ₹ 8,625.00))	35,475.04	8,625.00
Total	2,10,296.00	1,97,871.27

Note: There are no non-current assets located outside India.

(iii) Significant clients

Particulars	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Louis Dreyfus Company India Private Limited	35,475.04	-
Total	35,475.04	-

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50. Segment information for the year ended March 31, 2023 prepared under Ind AS 108 (Contd)

Segment Results', 'Segment Assets' and 'Segment Liabilities' for the previous year have been restated to exclude 'Unallocable Expenditure and Income', 'Unallocable Corporate Assets' and 'Unallocable Corporate Liabilities' respectively. The comparative statements of original and restated amounts are as under:

Particulars	(₹ In Lakhs)	
	Year ended March 31, 2022	
	Restated Amount	Original Amount
Segment Result		
Sugar	6,106.71	4,538.89
Unallocated expenditure (net of income)	(1,567.82)	-
Segment Assets		
Sugar	93,867.60	97,860.37
Co-generation	15,567.12	15,569.25
Distillery	25,790.70	26,003.61
Unallocable corporate assets	6,728.18	2,520.37
Segment Liability		
Sugar	16,554.44	54,547.11
Co-generation	40.74	6,050.72
Distillery	281.59	12,679.05
Unallocable corporate liabilities	57,748.11	1,348.00

51. 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 ₹ 694.07 Lakhs (previous period ₹ 541.81 Lakhs).

Defined benefits obligations:

Liability for gratuity is determined on actuarial basis using projected unit credit method. The details are as under:

Particulars	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Opening defined benefit obligation	2,121.83	1,980.39
Current service cost	151.11	148.70
Interest cost	140.96	129.43
Actuarial loss/ (gain)	86.30	(57.00)
Past service cost	-	-
Benefit paid	(142.80)	(79.69)
Closing defined benefit obligation	2,357.40	2,121.83
Change in fair value of assets :		
Contribution by employer	142.80	79.69



Notes to Financial Statements as at March 31, 2023

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51. Employee benefits: (Contd.)

Particulars	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Benefit paid	(142.80)	(79.69)
Change in fair value of plan assets	-	-
Expense recognized in Statement of Profit & Loss		
Current service cost	151.11	148.70
Interest cost	140.96	129.43
Past service cost	-	-
Expense recognized in Statement of Profit & Loss	292.07	278.13
Other comprehensive income		
Actuarial gain / (loss) arising from:		
. Change in financial assumptions	(64.72)	(42.98)
. Change in experience adjustments	151.02	(14.02)
Financial Assumptions at the valuation date		
Discount rate	7.45%	7.10%
Expected rate of return on assets (p.a.)	---	---
Salary escalation	6.00%	6.00%
Retirement / superannuation Age (year)	60	60
Mortality rates	100% of IALM(2012-14)	100% of IALM(2012-14)

Maturity profile of defined benefit obligation:

	(₹ In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Expected cash flows (valued on undiscounted basis):		
With in 0 to 1 Year	306.58	272.99
With in 1 to 2 Year	185.70	149.29
With in 2 to 3 Year	143.35	161.43
With in 3 to 4 Year	261.34	129.63
With in 4 to 5 Year	241.34	230.47
With in 5 to 6 Year	243.82	216.35
6 Year onwards	3,404.27	3,071.98
Total expected payments	4,786.40	4,232.14

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

(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.

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51. Employee benefits: (Contd.)

(₹ In Lakhs)

	Year ended March 31, 2023		Year ended March 31, 2022	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-3.71%	3.88%	-3.86%	4.02%
Impact of decrease in 50 bps on DBO	3.96%	-3.68%	4.12%	-3.79%

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.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk :

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary escalation risk :

The present value of the defined benefit plan is calculated with the assumption of salary increase 0.50% per annum of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Actual mortality & disability : deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

- (d) **The Company's liability on account of Compensated Absences are determined at end of each Financial Year on the basis of Actuarial Valuation certificates obtained from registered actuary and company's policy of compensated absence. The company's Compensated Absence Policy is as follows:**

General Policy: The Leave Cycle is Considered from 1 January to 31 December.

Accrual of Leave: The No. of Leaves that accrue during the year for Permanent Officers is 15 days, Permanent Technical is 18.25 days and for Management and others is 30 days .

Accumulation Limits: Maximum Leave allowed to be accumulated for encashment as well as for availment in case of Management is 90 days, Permanent Officer is 45 days, Permanent Technical is 30 days and for others, actual leave balance without any ceiling. Leaves in excess of maximum can be encashed.

I. Actuarial assumptions:

(₹ In Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate (per annum)%	7.45%	7.10%
Expected rate of salary increase %	6.00%	6.00%
Retirement / superannuation Age (year)	60	60



Notes to Financial Statements as at March 31, 2023

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51. Employee benefits: (Contd.)

I. Actuarial assumptions:

(₹ In Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rate of Leave Availment (Per Annum)%	1.00%	1.00%
Rate of Leave Encashment during Employment (Per Annum)%	0.00%	0.00%
Mortality rates%	100% of IALM (2012-14)	100% of IALM (2012-14)

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

(₹ In Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Liability Recognized in the Balance Sheet	573.30	546.77
Current liability	158.76	167.74
Non- current liability	414.54	379.03

(e) 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.

52. Related party disclosures as required by Ind AS 24 for the year ended March 31, 2023 (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	
ii) Key management personnel	-Shri G.R.Morarka	Executive Chairman
	-Shri B.J.Maheshwari	Managing Director & Company Secretary Cum Chief Compliance Officer

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52. Related party disclosures as required by Ind AS 24 for the year ended March 31, 2023 (As certified by the management) (Contd.)

	-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 (up to October 27, 2022)
	-Shri. K. N. Prithviraj	Independent Director
	-Smt. Nina Chatrath	Independent Director
	-Shri Gopal B. Hosur	Independent Director
	-Shri Rajan K. Medhekar	Independent Director
iii) Relatives of Key Managerial Personnel		
Shri G.R.Morarka	-Ms. Priyanka G. Morarka (Daughter)	

b) Details of transactions during the year

		(₹ In Lakhs)	
S No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Loan Taken		
	Dwarikesh Trading Company Limited	-	280.00
	Morarka Finance Limited	-	230.00
	Shri G. R. Morarka	-	500.00
2	Loan Repaid		
	Dwarikesh Trading Company Limited	-	280.00
	Morarka Finance Limited	-	230.00
	Shri G. R. Morarka	-	500.00
3	Rent Received		
	Dwarikesh Trading Company Limited	2.40	2.40
4	Services Purchased		
	Dwarikesh Informatics Limited	54.87	80.24
5	Rent Paid		
	Dwarikesh Trading Company Limited	80.29	80.29
	Morarka Finance Limited	18.29	18.29
6	Interest Paid		
	Dwarikesh Trading Company Limited	-	6.27
	Morarka Finance Limited	-	5.15
	Shri G. R. Morarka	-	11.20
7	Other Reimbursement		
	Dwarikesh Trading Company Limited	4.05	4.47
	Morarka Finance Limited	1.18	1.56



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52. Related party disclosures as required by Ind AS 24 for the year ended March 31, 2023 (As certified by the management) (Contd.)

b) Details of transactions during the year

(₹ In Lakhs)

S No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
8	Management Consultancy Paid		
	Morarka Finance Limited	46.02	46.02
9	Construction/ Acquisition of Assets		
	R.R. Morarka Charitable Trust	65.69	221.65
10	Remuneration		
	Shri G. R. Morarka	242.65	256.95
	Shri B. J. Maheshwari	131.48	122.39
	Shri Vijay S. Banka	131.03	122.01
	Ms. Priyanka G. Morarka	49.80	43.28
	Shri Sunil Kumar Goel	46.32	18.25
	Shri Alok Lohia	-	12.16
11	Commission		
	Shri G. R. Morarka	500.00	500.00
12	Leave Encashment		
	Shri G. R. Morarka	-	5.10
	Shri B. J. Maheshwari	-	5.83
	Shri Vijay S. Banka	-	5.87
	Ms. Priyanka G. Morarka	0.25	0.84
	Shri Sunil Kumar Goel	0.40	0.10
	Shri Alok Lohia	-	3.90
13	Gratuity		
	Shri Alok Lohia	-	13.50
13	Ex-gratia/ Interim Bonus		
	Shri B. J. Maheshwari	10.00	3.38
	Shri Vijay S. Banka	10.00	3.38
	Ms. Priyanka G. Morarka	2.10	2.00
	Shri Sunil Kumar Goel	1.28	1.22
14	Sitting Fees		
	Shri B. K. Agarwal	3.80	5.70
	Shri K. N. Prithviraj	4.60	4.10
	Smt. Nina Chatrath	4.50	4.10
	Shri Gopal B. Hosur	4.50	4.10
	Shri Rajan K. Medhekar	4.50	4.10
Amount due to/ from Related Parties:(year end balance)			
1	Investments		
	Dwarikesh Informatics Limited	31.17	30.87

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52. Related party disclosures as required by Ind AS 24 for the year ended March 31, 2023 (As certified by the management) (Contd.)

b) Details of transactions during the year		(₹ In Lakhs)	
S No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Faridpur Sugars Limited	1.03	1.03
2	Advance Rent		
	Dwarikesh Trading Company Limited	0.40	0.40
3	Other financial liability		
	Shri G. R. Morarka	500.00	500.00

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.

Details of Remuneration Paid/Payable to KMP					(₹ In Lakhs)
Particulars	Shri G. R. Morarka	Shri B. J. Maheshwari	Shri Vijay S. Banka	Shri Sunil Kumar Goel	
Year ended March 31, 2023					
Short-term employee benefits					
Salary	740.00	137.76	137.31	46.57	
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds*	2.65	3.72	3.72	1.44	
Year ended March 31, 2022					
Short-term employee benefits					
Salary	745.12	127.99	127.65	29.05	
Post-employment benefits					
Contribution to Provident Fund, Gratuity and other Funds*	16.93	3.61	3.61	0.51	

* As the liability for gratuity is provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

Terms & Conditions and Settlement

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions.



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53. Financial instruments

(₹ In Lakhs)

Sl. No	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
		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-3	20.00	20.00	20.00
2	Financial assets designated at fair value through other comprehensive income				
	Investment In equity share	Level-3	12.20	12.20	11.90
3	Financial assets designated at amortised cost				
	a) Trade receivables		-	-	-
	b) Security deposit	Level-3	61.01	61.01	55.41
	c) Other non-current financial assets		252.23	252.23	98.10
			345.44	345.44	185.41

Financial liabilities

(₹ In Lakhs)

Promoter Name	As at March 31, 2023		As at March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liability designated at amortised cost				
Borrowings	28,236.65	28,236.65	25,116.29	25,116.29
	28,236.65	28,236.65	25,116.29	25,116.29

The following methods and assumptions were used to estimate the fair values.

- 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
- 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).

Fair value of investment has been done on the basis of latest available financials with the Company.

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54. 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 major exposure of credit risk is from bank deposit and trade receivables. 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 impairment of trade receivables are based on assumption about risk of default and expected loss rates. The company uses judgements in making these assumption and selecting the inputs for the impairment calculation based on past history, existing market condition as well as forward looking estimates at the end of each balance sheet date. Financial assets are written off when there is no reasonable expectation of recovery. However the Company continues to attempt to recover the receivables. The Company follows simplified approach for measuring expected credit loss for trade receivables, except for credit impaired trade receivables which are fully provided for. The aging analysis of trade receivable is as under:-

Particulars	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Up to 6 months	7,154.69	3,453.24
More than 6 Months	2.41	2.41
Trade Receivables	7,157.10	3,455.65

The movement is loss allowance of trade receivables is as under:-

Particulars	(₹ In Lakhs)	
	Trade Receivables	
Balance as at March 31, 2021	-	
Provided during the year 2021-22	2.41	
Amount Written off	-	
Reserved during the year 2021-22	-	
Balance as at March 31, 2022	2.41	
Provided during the year 2022-23	-	
Amount Written off	-	



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54. Financial risk management objectives and policies (Contd.)

The movement is loss allowance of trade receivables is as under:- (₹ In Lakhs)

Particulars	Trade Receivables
Reserved during the year 2022-23	-
Balance as at March 31,2023	2.41

There is no change in loss allowances using expected credit loss model. The credit risk on deposits with banks is limited because the banks are assigned good credit ratings by international credit agencies and are scheduled banks with majority of ownership with Government of India.

B. Liquidity risk :

The liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirement. The Company's management is responsible for liquidity , funding as well as settlement management. In addition process and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flow.

The followings are the remaining contractual maturity of financial liabilities at reporting date. The amounts are gross and undiscounted.

	Payable on demand	Less than 1 year	More than 1 year	Total
As at March 31, 2023				
Borrowings	8,839.09	6,883.20	21,467.20	37,189.49
Lease Liabilities	-	88.70	302.89	391.59
Trade payables	5,507.14	-	4.17	5,511.31
Other financial Liabilities	-	7,073.29	-	7,073.29
Total	14,346.23	14,045.19	21,774.26	50,165.68
As at March 31, 2022				
Borrowings	27,090.79	5,027.20	20,212.54	52,330.53
Lease Liabilities	-	126.78	80.61	207.39
Trade and other payables	10,116.32	-	63.39	10,179.71
Other financial Liabilities	-	8,537.55	-	8,537.55
Total	37,207.11	13,691.53	20,356.54	71,255.18

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:

Foreign Currency Risk

Foreign Currency Risk is the risk that the fair value or future value or future cash flow of an exposure will fluctuate due to changes in foreign exchange rate.

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54. Financial risk management objectives and policies (Contd.)

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:

Particulars	(USD In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Monetary assets		
Trade receivables	-	-
Monetary liability		
Trade payable	-	-
Net foreign currency exposure	-	-

The details in respect of outstanding foreign currency forward contracts are as follows :

Particulars	Amount (USD in Lakhs) As at March 31, 2023	(₹ In Lakhs) As at March 31, 2023	Amount (USD in Lakhs) As at March 31, 2022	(₹ In Lakhs) As at March 31, 2022
	Forward Contracts	-	-	-

The foreign exchange forward contracts mature within twelve months. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the balance sheet date:

Particulars	Amount (USD in Lakhs) As at March 31, 2023	(₹ In Lakhs) As at March 31, 2023	Amount (USD in Lakhs) As at March 31, 2022	(₹ In Lakhs) As at March 31, 2022
	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, 2023 and March 31, 2022.

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 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.



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54. Financial risk management objectives and policies (Contd.)

The following table provides the reconciliation of cash flow hedge reserve for the year ended:

Particulars	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Gain / (Loss)		
Balance at the beginning of the year	-	-
Gain / (Loss) recognized in other comprehensive income during the period	-	-
Tax impact on above	-	-
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, 2023	3,362.00	33,827.49	37,189.49
As at March 31, 2022	6,051.60	46,278.94	52,330.54

Sensitivity on variable rate borrowings	(₹ In Lakhs)	
	Impact on statement of profit & loss March 31, 2023	March 31, 2022
Interest rate increase by 0.25%	(84.57)	(115.70)
Interest rate decrease by 0.25%	84.57	115.70

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.

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

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54. Financial risk management objectives and policies (Contd.)

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.

Particulars	(₹ In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Total debt	37,189.49	52,330.53
Less: cash and cash equivalents & other un encumbered bank balances	66.78	23.26
Net debt	37,122.71	52,307.27
Total equity	73,979.40	67,328.72
Gearing Ratio { net debt / (equity + net debt)}	0.33	0.44

55. 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

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 estoppel & 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. The Central Government, vide its Notification No. 1(10)/2018-SP-I dated July 19, 2018, notified a Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity. Every Sugar Mill which fulfils the conditions stipulated in the scheme will be eligible for interest subvention @ 50% of the rate of interest charged by bank, which shall be borne by central Government for a period of five years on diminishing balance of the loan availed for the said purpose. Till March 31, 2023, the Company has complied with all the conditions as stated in the scheme and submitted the requisite claim for interest subvention. The interest subvention, so accrued under the Scheme till 31st March 2023 is ₹ 364.20 Lakhs of which an amount of ₹ 144.18 Lakhs has been received till March, 2023.



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

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 and other comprehensive income/(loss) (₹ In Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current income tax	2,653.58	3,851.41
Deferred tax	2,094.41	2,514.36
Income tax adjustment	(0.12)	(0.06)
Total income tax expense	4,747.87	6,365.71

b) Reconciliation of effective tax rate (₹ In Lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Tax expense		
Profit before tax	15,250.58	21,867.48
Add: Other comprehensive income	(86.00)	55.64
	15,164.58	21,923.12
Applicable tax rate*	34.944%	34.944%
Computed tax expense	5,299.11	7,660.82
Adjustments for:		
Income exempt for tax purpose	-	(1,127.65)
Expenses not allowed for tax purpose	21.39	148.34
DTA on non depreciable assets and investments	(100.61)	(114.98)
Prior year MAT entitlement	38.17	5.14
Impact of reversal of DTA & DT Lat lower rates in subsequent years on PPE and gratuity liability	(510.07)	(205.90)
Income Tax Adjustment	(0.12)	(0.06)
Net adjustments	(551.24)	(1,295.11)
Tax Expense	4,747.87	6,365.71

*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 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 rate.

Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

59. Details of loans given, investments made and guarantee given under section 186(4) of the Companies Act, 2013

b) Reconciliation of effective tax rate

(₹ In Lakhs)

	Amount outstanding as at March 31, 2023	Amount outstanding as at March 31, 2022
Loan given	-	-
Guarantee given	-	-
Investment made	32.20	31.90

60. 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.

61. The previous year's figures are restated on account of certain reclassification. The comparative statements of original and restated amounts are as under:

(₹ In Lakhs)

Particulars	As at March 31, 2022	
	Restated Amount	Original Amount
Balance Sheet		
Current Assets		
Bank balances other than cash and cash equivalents	3,831.78	3,832.00
Loans	-	29.91
Others	3.33	115.27
Other current assets	1,605.37	1,463.30
Current Liabilities		
Borrowings	32,114.80	31,976.52
Trade Payables	9,521.16	9,473.15
Other financial liabilities	8,537.55	8,849.41
Other current liabilities	434.59	309.02
Profit & Loss accounts		
Income		
Revenue from operations	1,97,871.27	1,97,406.14
Other Income	323.46	316.45
Expenses		
Cost of materials consumed	1,37,180.81	1,37,249.04
Purchases of stock in trade	533.36	-
Other expenses	11,177.97	11,170.96



Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

62. In the opinion of Board of Directors, trade receivable, other current financial assets and other current assets have a value on realisation in the ordinary course of the Company's business which is at least equal to the amount at which they are stated in the balance sheet.

63. The Board of Directors at its meeting held on April 27, 2023 has approved the financial statements for the year ended March 31, 2023.

64. 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 does not have any transactions with struck off companies during the year, except for the following two companies who are the shareholders of the company:-
GVJ Projects Pvt. Ltd. - No. of equity shares held - 647
Vaishak Shares Ltd.- No. of equity shares held - 10
The above companies are not related parties
- 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.
- 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.

Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

65. Ratios:

Sr. No.	Particulars	Year ended		Variation	Reason for variation
		March 31, 2023 Audited	March 31, 2022 Audited		
i	Debt-to-Equity (D/E) Ratio (in times)	0.50	0.78	-35.90%	Reduction in debt to equity ratio is attributable to lower utilisation of working capital limits indicating improved cash flows and also to higher profits retained during the year.
ii	Debt service coverage ratio (in times)	2.56	3.43	-25.36%	Lower debt service coverage ratio is on account of lower profit after tax during the year in comparison of previous year.
iii	Current ratio (in times)	2.30	1.62	41.98%	Increase in the ratio is due to utilisation of retained profits for augmenting working capital needs.
iv	Debtors turnover (in times)	10.97	7.35	49.25%	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)	3.19	2.45	30.20%	Higher inventory turnover ratio is on account of lower average inventory carried.
vi	Net profit margin (%)	4.95%	7.83%	-36.78%	Lower net profit ratio is attributable to higher cost of goods sold without commensurate increase in their selling price.
vii	Return on equity ratio (%)	14.85%	24.81%	-40.17%	Lower return on equity ratio is on account of lower profit after tax.
viii	Trade Payable turnover ratio (%)	20.35%	10.38%	96.10%	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 faster payment of dues to creditors .
ix	Net capital Turnover ratio (%)	5.43%	6.08%	-10.79%	Decline in net capital turnover ratio is on account of higher working capital which is reflection of higher current ratio.
x	Return on capital employed (%)	16.07%	20.95%	-23.31%	Lower return on capital employed is due to higher cost of goods sold without corresponding increase in their selling price.
xi	Return on investment (%)	8.19%	10.93%	-25.11%	Decline in return on investments is on account of lower profit after tax earned during the year.



Notes to Financial Statements as at March 31, 2023

CIN: L15421UP1993PLC018642

65. Ratios: (Contd.)

(₹ In Lakhs)

Sl. No	Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
		Numerator	Denominator	Numerator	Denominator
i	Debt-to-Equity (D/E) Ratio (in times) (Total Debt (Long term + Short term including current maturity)/Total Shareholders' Equity)	37,075.74	73,979.40	52,207.08	67,328.72
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)}	17,201.78	6,724.24	20,973.37	6,116.06
iii	Current ratio (in times) Current Assets/ Current Liabilities	68,575.71	29,826.63	84,686.73	52,160.73
iv	Debtors turnover (in times) [Net Credit Sales / Average Accounts Receivable { (Closing Accounts Receivable + Opening Accounts Receivable)/2}]	58,196.87	5,303.97	37,606.05	5,119.94
v	Inventory turnover (in times) [Revenue from operation / Average Inventory { (Closing Inventory + Opening Inventory)/2}]	2,10,296.00	65,919.52	1,97,871.27	80,650.19
vi	Net profit margin (%) (Net Profit after tax/ Total Revenue)	10,481.06	2,11,700.33	15,521.55	1,98,194.73
vii	Return on equity ratio (%) (Net profit after tax/Average shareholder equity)	10,481.06	70,594.19	15,521.55	62,550.05
viii	Trade Payable turnover ratio (%) Net credit purchase/average trade payable	1,54,583.15	7,594.44	1,47,600.57	14,219.88
ix	Net capital Turnover ratio (%) Net annual sale/working capital	2,10,296.00	38,749.08	1,97,871.27	32,526.00
x	Return on capital employed (%) Earning before interest and tax/(Tangible net worth + total debt + deferred tax liability)	17,835.32	1,10,995.27	25,033.25	1,19,475.93
xi	Return on investment (%) Net income (PAT)/cost of investment (total assets)	10,481.06	1,28,000.60	15,521.55	1,41,953.60

Significant accounting policies

1 & 2

The accompanying notes from 1 to 65 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 Mittal Gupta & Co.

Chartered Accountants
Firm Regn. No. 01874C

G. R. Morarka

Executive Chairman
DIN: 00002078

Vijay S. Banka

Managing Director
DIN: 00963355

Bihari Lal Gupta

Partner
Membership No. 073794

B. J. Maheshwari

Managing Director & CS cum CCO
DIN: 00002075

Sunil Kumar Goel

Chief Financial Officer

Place: Mumbai

Date: April 27, 2023

Place: Mumbai

Date: April 27, 2023

Key Financial Data

	2012-2013 (Oct12-Sept13)	2013-2015 (18 months) (Oct13-Mar 15)	2015-2016 (Apr 15-Mar 16)	2016-2017# (Apr 16-Mar 17)	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) ##	2022-2023 (Apr 22-Mar 23)
Sales	96,282	1,17,643	83,151	1,25,610	1,45,828	1,08,412	1,33,613	1,83,885	1,97,871	2,10,296
Excise Duty	(3,521)	(4,035)	(3,717)	(6,570)	(2,833)	-	-	-	-	-
Net revenue from operations	92,761	1,13,608	79,434	1,19,040	1,42,995	1,08,412	1,33,613	1,83,885	1,97,871	2,10,296
Other Income	1,310	265	862	1,456	1,748	3,610	540	709	323	1,404
Total Income	94,072	1,13,874	80,296	1,20,496	1,44,743	1,12,022	1,34,153	1,84,594	1,98,194	2,11,700
Manufacturing and operating expenses	74,247	1,19,978	61,717	85,923	1,10,178	1,09,051	1,11,573	1,36,663	1,37,181	1,42,446
Purchases of stock-in-trade	-	-	-	-	-	-	-	-	533	897
Decrease / (Increase) in stock	4,511	(28,228)	(2,856)	(7,014)	4,716	(29,154)	(8,647)	6,444	10,276	20,138
Exception item/ Deferred revenue expenditure	-	-	(492)	(323)	-	-	-	-	-	-
Staff expenses*	4,030	7,144	4,968	7,157	6,933	7,084	7,879	9,275	9,629	11,745
Selling & administration expenses (other expenses*)	4,101	5,393	4,785	5,638	6,919	8,526	9,201	11,378	11,178	13,617
Total Expenditure	86,889	1,04,286	68,122	91,381	1,28,746	95,507	1,20,006	1,63,760	1,68,797	1,88,843
Profit before interest, depreciation and tax (PBIDT)	7,183	9,587	12,174	29,115	15,997	16,515	14,147	20,834	29,397	22,857
Depreciation and amortization expenses*	3,319	4,725	3,076	2,994	3,250	3,295	3,687	4,089	4,363	5,022
Profit before interest and tax (PBIT)	3,864	4,862	9,098	26,121	12,747	13,220	10,460	16,745	25,034	17,835
Interest	7,056	7,521	5,159	5,250	2,531	2,126	3,303	4,765	3,166	2,584
Profit before tax (PBT)	(3,192)	(2,659)	3,939	20,871	10,216	11,094	7,157	11,980	21,868	15,251
Taxes	(1,256)	(984)	42	5,260	71	1,583	(188)	2,826	6,346	4,770
Profit after Tax (PAT)	(1,936)	(1,675)	3,897	15,611	10,145	9,511	7,345	9,154	15,522	10,481
Cash accruals	126	2,066	6,378	19,168	11,407	11,976	9,585	13,958	22,380	17,619
Equity Share Capital	1,631	1,631	1,631	1,883	1,883	1,883	1,883	1,883	1,883	1,883
Preference Share Capital	3,110	3,110	3,110	-	-	-	-	-	-	-
Reserves & Surplus/Other Equity	7,319	5,644	6,960	26,718	34,699	44,477	46,488	56,008	65,446	72,096
Secured loan funds/ Financial liabilities borrowings excluding cash credit limits/secured loan including repayable within 1 year	23,983	27,154	30,141	14,390	5,390	14,469	36,688	19,693	25,116	28,237
Unsecured loan funds and Liability component of compound financial instrument	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	44,044	39,861	35,666	33,185	34,101	33,557	43,224	41,045	53,060	58,230
Investment	24	24	20	32	32	32	33	33	32	32
Deferred tax Assets	1,017	2,001	1,707	1,398	3,331	4,015	5,889	4,977	2,463	369



Key Financial Data

(₹ In Lakhs)

	2012-2013 (Oct12-Sept13)	2013-2015 (18 months) (Oct13-Mar 15)	2015-2016 (Apr 15-Mar 16)	2016-2017# (Apr 16-Mar 17)	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) ##	2022-2023 (Apr 22-Mar 23)
Current assets	19,837	56,964	61,725	66,928	59,045	94,965	1,09,911	98,168	84,687	68,576
Non Current Assets/Long term loans & advances & other non current assets	1,125	1,024	1,005	325	1,851	3,943	1,878	340	1,712	794
Current Liabilities / current liabilities excluding short term borrowing & current maturity of loan term debts	13,529	25,560	21,190	18,408	25,996	22,026	25,737	23,553	20,046	14,173
Non Current Liabilities/Other long term liabilities, lease liability & long term provisions	1,237	1,494	1,670	1,580	1,556	2,561	2,524	2,405	2,372	2,772
Current Liabilities including cash credit limit & excluding current maturity of loan term debts	28,758	60,833	56,602	54,188	53,223	71,622	71,854	64,555	47,137	23,012

regrouped/ recasted as per IND AS

Previous year figures have been regrouped and recasted wherever necessary to confirm to the current period classification.

* During FY 2022-23, Staff expenses, other expenses & depreciation have been suitably adjusted to exclude amounts pertaining to pre-operative & trial period.

Financial Icons

(₹ In Lakhs)

Particulars	2012-2013 (Oct12-Sept13)	2013-2015 (18 months) (Oct13-Mar 15)	2015-2016 (Apr 15-Mar 16)	2016-2017# (Apr 16-Mar 17)	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) ##	2022-2023 (Apr 22-Mar 23)
OPERATING RATIOS										
Cost of material sold / Total Income	83.72%	80.57%	73.30%	65.49%	79.38%	71.32%	76.72%	77.53%	74.67%	77.22%
Cost of material sold = cost of material consumed* + increase / decrease in stock + Purchase of stock in trade										
Staff expenses / Total Income	4.28%	6.27%	6.19%	5.94%	4.79%	6.32%	5.87%	5.02%	4.86%	5.55%
Selling & administration expenses / Total income	4.36%	4.74%	5.96%	4.68%	4.78%	7.61%	6.86%	6.16%	5.64%	6.43%
PBIDT / Total Income	7.64%	8.42%	15.16%	24.16%	11.05%	14.74%	10.55%	11.29%	14.83%	10.80%
PBIT / Total Income	4.11%	4.27%	11.33%	21.68%	8.81%	11.80%	7.80%	9.07%	12.63%	8.42%
PBT / Total Income	-3.39%	-2.33%	4.91%	17.32%	7.06%	9.90%	5.33%	6.49%	11.03%	7.20%
PAT / Total Income	-2.06%	-1.47%	4.85%	12.96%	7.01%	8.49%	5.48%	4.96%	7.83%	4.95%

#regrouped/ recasted as per IND AS

Previous year figures have been regrouped and recasted wherever necessary to confirm to the current period classification.

BALANCE SHEET RATIO										
Debt Equity Ratio	3.94	7.86	7.13	1.74	0.89	1.37	1.70	1.04	0.78	0.50
(Total Debt (Long term bank borrowing + Short term bank borrowing which includes the current maturity now)/Total Shareholders' Equity)										
Inventory Turnover Ratio	4.30	3.33	1.55	2.08	2.51	1.60	1.54	2.08	2.45	3.19
Revenue from operation / Average Inventory { (Closing Inventory + Opening Inventory)/2}										
Fixed Assets Turnover Ratio (Net Revenue from operations / net block of fixed assets)	2.11	2.85	2.23	3.59	4.19	3.23	3.09	4.48	3.72	3.61
Fixed Assets Coverage Ratio (FACR) (Net block of fixed assets/ Secured loan excluding cash credit)	1.83	1.47	1.18	2.31	6.33	2.32	1.18	2.08	2.11	2.06
PER SHARE DATA										
Earnings per share (EPS) (₹)	(13.53)	(13.19)	22.02	8.87	5.39	5.05	3.90	4.86	8.24	5.57
Cash earnings per share (CEPS) (₹)	(0.95)	15.77	41.08	7.59	6.06	6.36	5.09	7.41	11.89	9.36
Dividend (₹ per Equity Share)	-	-	-	10	-	1.00	1.00	1.25	2.00	2.00
Dividend Payout %	-	-	-	100%	-	100%	100%**	125%	200%**	200%**
Book Value (₹)	54.86	44.60	52.66	15.19	19.43	24.62	25.69	30.74	35.76	39.29

regrouped/ recasted as per IND AS

** interim dividend



Value-Added Statement

(₹ In Lakhs)

Particulars	2012-2013 (Oct 12- Sept 13)	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)	2022-2023 (Apr 22- Mar 23)
Corporate Output (Total Income incl.excise duty)	97,593	1,17,909	84,013	1,27,066	1,47,576	1,12,022	1,34,153	1,84,594	1,98,194	2,11,700
Less: Manufacturing & Operating expenses/ cost of material consumed+ Increase/decrease in stock+Purchases of stock in trade	78,758	91,749	58,861	78,909	1,14,894	79,897	1,02,926	1,43,107	1,47,990	1,63,481
Less:Exceptional Item/ deferred revenue expenditure	-	-	(492)	(323)	-	-	-	-	-	-
Less: Selling & Administrative expenses/ Other Expenses*	4,101	5,393	4,785	5,638	6,919	8,526	9,201	11,378	11,178	13,617
Gross Value Added	14,733	20,766	20,859	42,842	25,764	23,599	22,026	30,109	39,026	34,602
Less: Depreciation	3,319	4,725	3,076	2,994	3,250	3,295	3,687	4,089	4,363	5,022
Net Value Added	11,415	16,041	17,783	39,847	22,513	20,304	18,339	26,020	34,663	29,580
Allocation of Net Value Added										
to personnel	4,030	7,144	4,968	7,157	6,933	7,084	7,879	9,275	9,629	11,745
to Exchequer (Excise/GST)	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	2,653
to Mat Credit (entitlement)/ utilization	-	-	(135)	(4,375)	(1,942)	(600)	(795)	116	2,900	1,948
to deferred tax	(1,256)	(984)	33	5,260	(46)	(230)	(652)	599	(405)	168
to Stake holders (Interest)	7,056	7,521	5,159	5,250	2,531	2,126	3,303	4,765	3,166	2,585
to Company (Retained earnings)	(1,936)	(1,674)	3,897	15,611	10,145	9,511	7,345	9,154	15,522	10,481
	11,415	16,041	17,783	39,847	22,513	20,304	18,339	26,020	34,663	29,580

regrouped/ recasted as per IND AS

Note: Allocation of the value added to the State Exchequer does not include GST paid in respective year.

Key Statistics

Particulars-SS	2012-2013	2013-2014	2014-15	2015-16	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	(₹ In Lakhs)
											2022-2023 (Ongoing crushing season up to 31.03.2023)
No of days crushed											
- DN	159	141	156	146	173	197	175	208	203	208	155
- DP	148	131	139	127	169	188	175	202	200	207	155
- DD	143	111	113	98	148	203	153	183	168	163	144
Sugar cane Crushed in Qtls.											
- DN	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	1,30,85,474	99,81,600
- DP	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	1,31,44,112	1,01,05,700
- DD	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	1,15,88,811	1,01,84,000
Recovery gross %											
- DN	10.32	10.47	11.11	12.12	12.34	12.24	12.44	12.42	12.43	12.34	12.14
- DP	10.00	10.52	10.98	11.77	12.11	12.24	12.24	12.42	12.43	12.20	11.84
- DD	9.15	9.65	10.14	11.16	10.89	11.24	12.24	12.39	12.08	11.43	10.89
Recovery net % *											
- DN	10.32	10.47	11.11	12.12	12.34	12.24	12.44	12.00	10.97	10.68	7.36
- DP	10.00	10.52	10.98	11.77	12.11	12.24	12.24	12.42	11.07	10.57	10.11
- DD	9.15	9.65	10.14	11.16	10.89	11.24	12.24	12.39	12.08	10.08	6.53
Total losses % *											
- DN	1.83	1.79	1.70	1.82	1.75	1.76	1.77	2.17	3.16	3.40	6.42
- DP	1.81	1.66	1.61	1.62	1.61	1.66	1.74	1.60	2.94	3.21	3.27
- DD	1.92	1.68	1.72	1.74	1.75	1.86	1.70	1.72	1.81	3.15	6.14
Sugar Bagged in Qunitals											
- DN	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	13,97,057	7,30,230
- DP	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	13,89,045	10,13,060
- DD	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	11,67,815	6,58,980

* 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. During SS 2022-23 sugarcane juice was diverted to the distillery units for making ethanol at DN & DD units. Hence the recoveries & losses are not comparable for the units and the seasons under reckoning



DWARIKESH SUGAR INDUSTRIES LIMITED

Regd. Office: Dwarikesh Nagar – 246762, Dist. Bijnor, U.P.

CIN: L15421UP1993PLC018642

ATTENDANCE SLIP

(TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 29th ANNUAL GENERAL MEETING of the Company held on Friday, June 30, 2023 at 12.30 p.m. at Dwarikesh Nagar – 246762, Dist. Bijnor, U.P.

* Applicable for investors holding shares in electronic form.

Signature of Shareholder / proxy

DWARIKESH SUGAR INDUSTRIES LIMITED

Regd. Office: Dwarikesh Nagar – 246762, Dist. Bijnor, U.P.

CIN: L15421UP1993PLC018642

PROXY FORM

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

Name of Member(s) Registered address		E-mail Id Folio No/ *Client Id *DP Id	
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I/We, being the member(s) of _____ shares of Dwarikesh Sugar Industries Limited, hereby appoint:

- 1) _____ of _____ having e-mail id or failing him _____ or failing him
- 2) _____ of _____ having e-mail id or failing him _____ or failing him
- 3) _____ of _____ having e-mail id or failing him _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th ANNUAL GENERAL MEETING of the Company, to be held on Friday, June 30, 2023 at 12.30 p.m. at Dwarikesh Nagar – 246762, Dist. Bijnor, U.P. and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Financial Statements for the year ended March 31, 2023;		
2. Confirmation of payment of Interim Dividend on Equity Shares declared for the financial year 2022-23;		
3. Appoint Director in place of Shri Vijay S Banka (DIN: 00963355) who retires by rotation and being eligible offers himself for re-appointment;		
4. Ratification of remuneration payable to Cost Auditors;		

Signed this _____ day of _____ 2023

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy

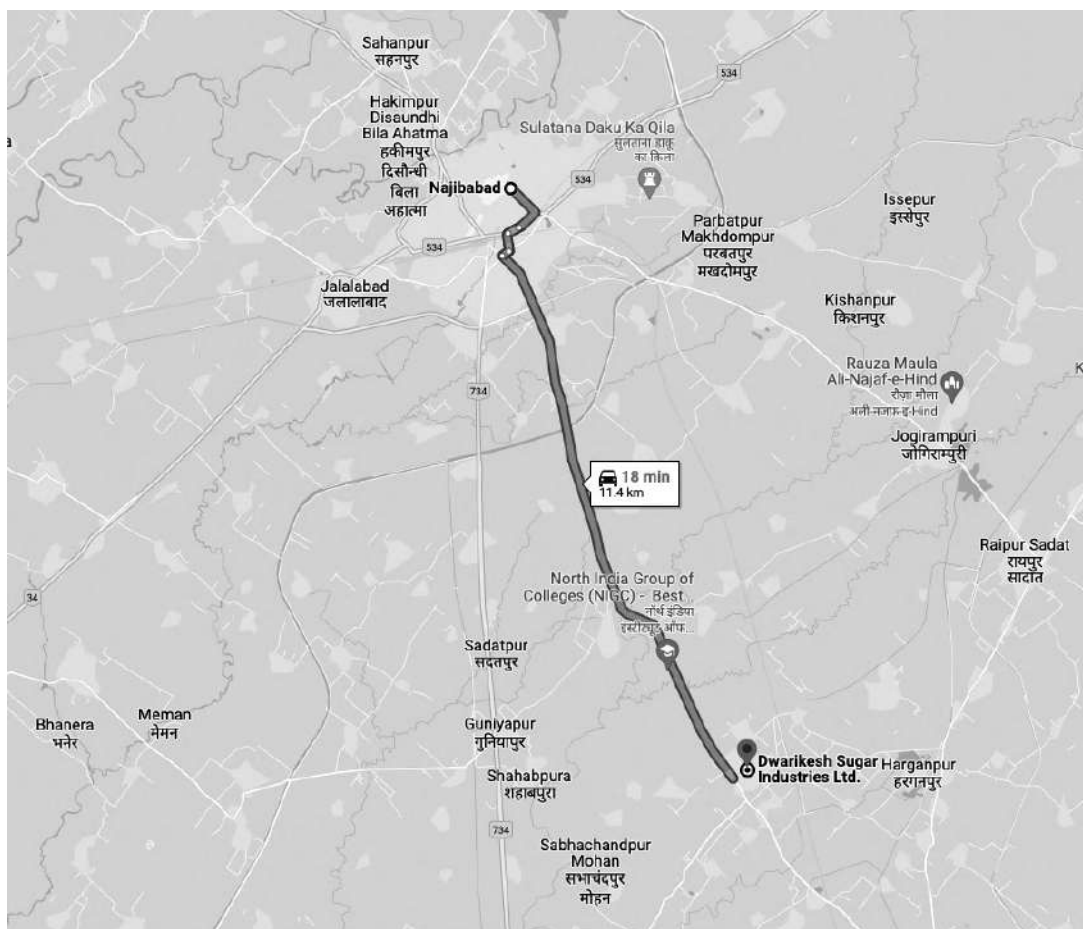
Affix
Re.1
Revenue
Stamp



Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ** (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

AGM VENUE ROUTE MAP



Corporate information

Directors

G. R. Morarka

Executive Chairman

B. K. Agarwal

Independent Director (Ceased w.e.f October 28, 2022)

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

Senior Executive Vice President (Works) –

DN & DP Units

N. K. Khetan

Vice President - Group Compliance Officer

Salil S. Arya

Chief Financial Officer

Sunil Kumar Goel

Bankers

Punjab National Bank

ICICI Bank Limited

Solicitors

Kanga & Co.

Auditors

Mittal Gupta & Co.

Chartered Accountants



Dwarikesh
Sugar Industries Limited

www.dwarikesh.com