STRETCH

Graduating the Company from one level to another

Balrampur Chini Mills Limited

Annual Report 2021-22

Contents

4 messages of this Annual Report

1 Balrampur Chini Mills is engaged in a decisive investment in increasing its distillery (ethanol) capacity.

2 This investment, when commissioned, could transform the Company's revenue mix and profitability.

3 The investment could right-size the Company's Balance Sheet for sustainable profitable growth.

4 The 'ethanolisation' of the Company will enhance value for the Company's stakeholders.

PART 1

What we are and what we do

Balrampur Chini Mills Limited is one of India's leading sugar companies.

Engaged in the principal businesses of sugar and distillery.

Addressing the growing needs of diverse stakeholders.

Respected for being a responsible corporate citizen.

Background

Balrampur Chini Mills Limited is among the largest integrated private sector sugar companies in India. The Company is led by Mr. Vivek Saraogi and managed by experienced professionals.

Location

The Company's headquarters are in Kolkata, India. The Company possesses 10 sugar factories across the cane-rich belts of Eastern and Central Uttar Pradesh, four distilleries and ten cogeneration units, one of the largest integrated complements in India's sugar sector.

Businesses

The Company generates revenues from its business of sugar and distillery, among others. It generated 80.68% of revenues from the sugar segment and 18.95% from its distillery segment during FY 2021-22.

Listing

The Company is listed on the BSE Limited (scrip code: 500038) and National Stock Exchange of India Limited (scrip code: BALRAMCHIN) where its equity shares are actively traded. The market capitalisation of the Company was ₹9985.72 crore as on 31 March, 2022; promoter shareholding in the Company was 42.42%.

Ratings

The long-term credit rating of the Company was upgraded to AA+ (Stable); the short term rating was re-affirmed at A1+ by CRISIL.

State-of-the-art

The Company made prudent investments in cutting-edge technologies, which helped enhance operating efficiency and environmental responsibility. The Company helped enhance farm yields by distributing high yielding seeds.

Pioneering

- The Company was among the first in India's sugar industry to moderate an excessive reliance on sugar and enhance distillery and cogeneration revenues
- The Company was one of the first sugar companies to commission an incinerator boiler in its distillery, becoming zero discharge in the process, empowering the distillery to operate for 330 days a year (compared to the erstwhile 270 days)
- The Company repaid a majority of its long-term debt to emerge as a liquid and under-borrowed company
- The Company rewarded shareholders with five equity buybacks in five years coupled with dividends
- The Company acquired loss-making sugar units and turned them around
- The Company was among the first sugar companies to digitally transfer cane proceeds to farmers
- The Company is setting up a state-of-the-art distillery fed by flexible dual-feed.

Eco-friendly

The Company tried to achieve its goal towards environmental responsibility through proactive investments that moderated water consumption and effluents discharge while increasing recycling.

Our manufacturing units

10
Number of sugar units

4
Number of distillery units (fifth under construction)

10
Number of cogeneration units

Our capacities

77,500
TCD cane crushing capacity per day

560
KLPD of distillery capacity

175.7
MW saleable co-generation capacity

Our growth story across the years

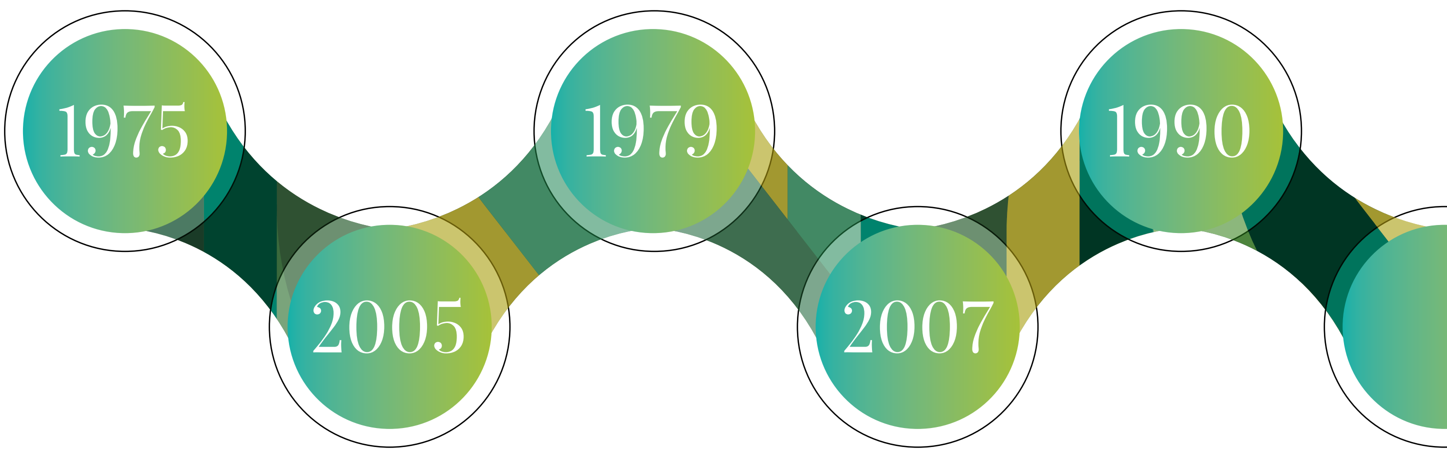
1975-1989: Our building blocks

The Balrampur unit went into business with a crushing capacity of 800 TCD; this capacity was subsequently enhanced to 12,000 TCD.

By an indenture of conveyance, Balrampur Commercial Enterprises Limited came under the aegis of BCML with transfer of land parcels, buildings, assets and the entire staff of the sugar factory. BCML ceased to be a subsidiary of BCEL. The shares were listed on the Calcutta Stock Exchange in 1979.

1990-1999: Growth phase

Acquired a controlling stake in Babhnan Sugar Mill Limited (crushing capacity 1,000 TCD in 1990). The mill was expanded and modernised, resulting in an increased crushing capacity from 2,500 TCD in 1992-93 to 10,000 TCD presently (Babhnan Sugar Mills Limited was merged with BCML from 1 April, 1994).



2000-2014: Integrated growth (continued)

Established a greenfield integrated sugar complex at Akbarpur with a crushing capacity of 7,000 TCD, coupled with a bagasse-based cogeneration power plant (18MW). The crushing capacity was enhanced to 7,500 TCD.

Established a greenfield integrated sugar complex at Mankapur with a crushing capacity of 8,000 TCD, coupled with a bagasse-based cogeneration power plant (34 MW) and 100 KLPD distillery. The plant's cogeneration capacity was enhanced to 43.60 MW.

Established a greenfield integrated sugar complex at Kumbhi, with a crushing capacity of 8,000 TCD coupled with bagasse-based co-generation power plant (20 MW). The co-generation capacity was enhanced to 32.70 MW.

A greenfield integrated sugar complex was established at Gularia, with a crushing capacity of 8,000 TCD, coupled with a bagasse-based cogeneration power plant (31.3 MW). The plant's cogeneration capacity was enhanced to 38.86 MW.

1990-1999: Growth phase (continued)

Commissioned a distillery in Balrampur; the capacity of 60 kilolitre per day was subsequently raised to 160 kilolitre per day and is being further expanded to 330 KLPD.

Acquired a controlling stake in Tulsipur Sugar Company Limited, located near Balrampur in Eastern Uttar Pradesh (installed capacity 2,500 TCD).

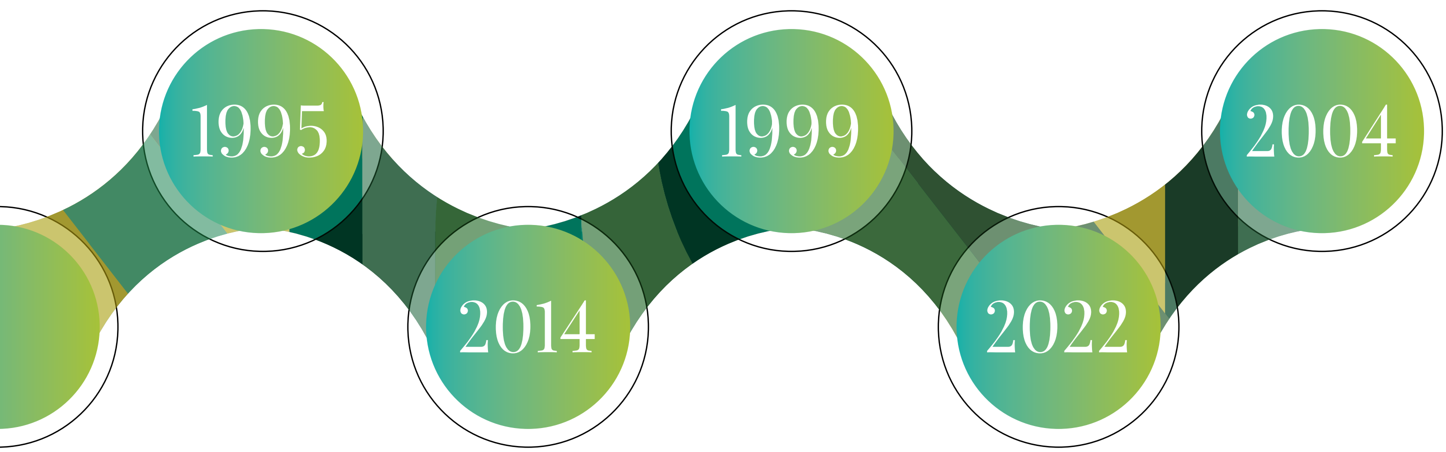
Tulsipur Sugar Company Limited was merged with BCML with effect from 1 April, 1999; the crushing capacity of Tulsipur Sugar was subsequently expanded to 7,000 TCD.

2000-2014: Integrated growth

Established a greenfield integrated sugar complex at Haidergarh with a crushing capacity of 4,000 TCD along with bagasse-based co-generation power plant (20.25 MW). Crushing and cogeneration capacity was enhanced to 5,000 TCD and 23.25 MW respectively.

Installed a distillery of 60 KLPD at Babhnan, which was eventually increased to 100 KLPD.

Started a co-generation plant at the Babhnan unit (3 MW subsequently expanded to 27.76 MW).



2000-2014: Second phase of integrated growth

Acquired an integrated sugar unit at Rauzagaon from Dhampur Sugar Mills Ltd. The unit (with a crushing potential of 7,500 TCD and producing 12 MW of power) was enhanced to 8,000 TCD; power generation capacity was increased to 25.75 MW.

Acquired a 53.96% stake in Indo Gulf Industries Limited (IGIL). IGIL had a sugar unit with a crushing capacity of 3,000 TCD at Maizapur. The sugar division was demerged from IGIL and merged with BCML. During 2017, BCML sold its entire stake in IGIL following an open offer.

2015-2022: Commitment towards environment and shareholders

Invested in incinerators at distilleries to become a zero liquid discharger of effluents, empowering the Company to operate the distillery for an additional 60 days a year.

In the last five years, the Company engaged in five share buybacks with a cumulative payout of ₹816.91 crore (excluding taxes) coupled with a cumulative dividend payout of ₹360.12 crore (excluding taxes). The Company paid ₹91.80 crore towards tax, related to share buybacks and ₹52.46 crore towards Dividend Distribution Tax.

Commissioned a 160 KLPD distillery at Gularia to produce ethanol, which has now been expanded to 200 KLPD.

The Company is in the process of commissioning its fifth distillery with a capacity of 320 KLPD at Maizapur.

The Company's distillery in Balrampur is in the process of being expanded from 160 KLPD to 330 KLPD.

Embarked on a doubling of the distillery capacity.

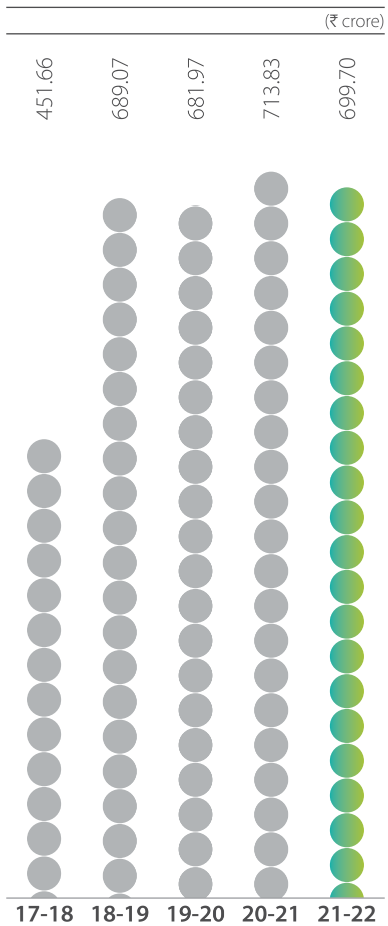
Our strong financial track record

Revenues

Definition
Growth in sales

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

Performance
Revenues were higher by 0.71% to ₹4846.03 crore in FY 2021-22 on account of higher realizations even though volumes were lower.

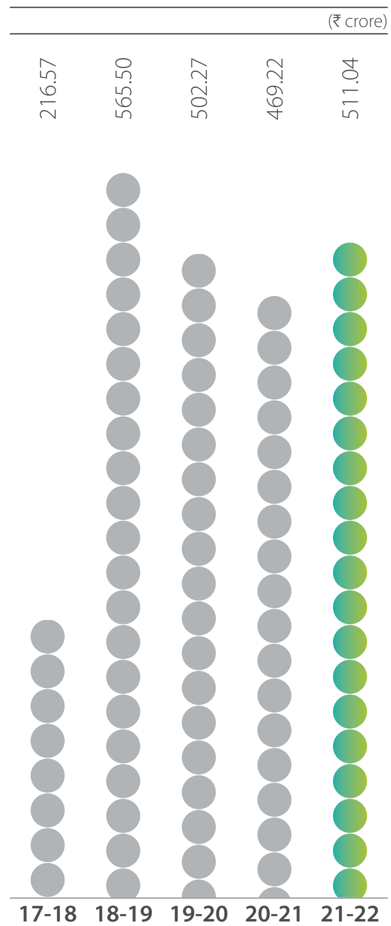


EBITDA

Definition
Earnings before interest, depreciation, exceptional items and tax.

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

Performance
The Company reported a 1.98% decline in EBITDA in FY 2021-22 owing to lower sugar volumes and increased cane costs.

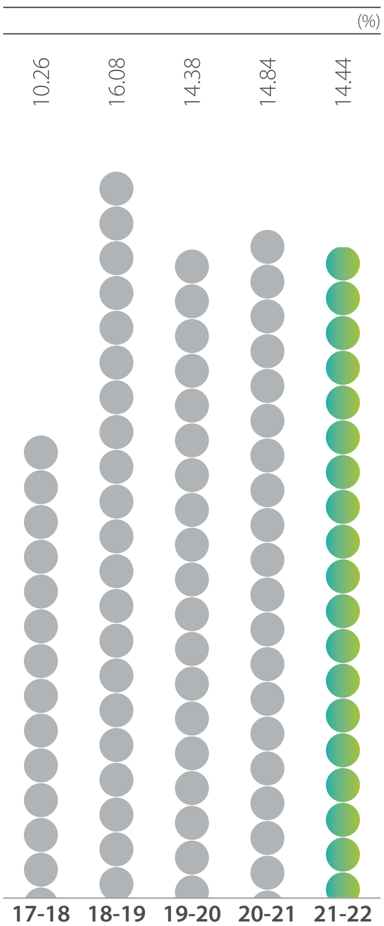


Total comprehensive income

Definition
Total comprehensive income (TCI) includes profit for the year and other comprehensive income.

Why is this measured?
It provides a holistic view of the Company's income that is not fully captured in the income statement.

Performance
The Company reported a 8.91% growth in TCI in FY 2021-22.

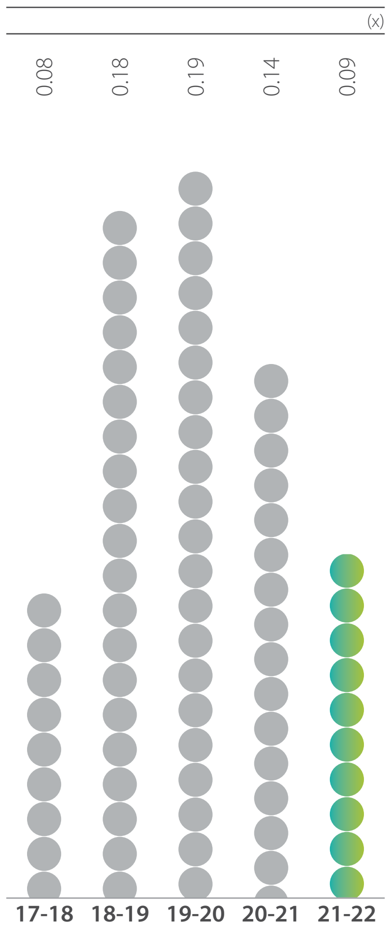


EBITDA margin

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

Why is this measured?
The EBITDA margin provides an index of how much a company earns (before interest, depreciaton, exceptional items and tax) on each rupee of sales.

Performance
The Company's EBITDA margin was lower by 40 bps due to increased cane costs and lower sugarcane crushing.



Gearing

Definition
This is derived through the ratio of long-term debt to net worth

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

Performance
The Company's long-term gearing was 0.09 at the end of the year. This ratio should ideally be read in conjunction with the Company's moderating net debt, demonstrating an increasing potential to repay all loans.

Interest cover

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

Why this is measured?
Interest cover indicates the solvency available to service interest – the higher the better.

Performance
The Company's interest cover strengthened from 18.17x in FY 2020-21 to 22.67 x in FY 2021-22, among the highest in the industry.

Balrampur Chini Mills: FY 2021-22 in a snapshot

4,846.03

Revenue from operations

(₹ crore)

699.70

EBITDA

(₹ crore)

511.04

Total comprehensive income for the year

(₹ crore)

88.54

Cane crushed

(Lakh tonnes)

9.10

Sugar produced (post diversion into ethanol)

(Lakh tonnes)

16.31

Alcohol produced

(crore litres)

72.72

Power co-generated

(crore units)

6,350

Number of employees

(Person)

10.27

Sugar recovery achieved (post diversion into ethanol)

(in %)

1.13

Sugar sacrificed (under B-heavy route)

(Lakh tonnes)

Financial and operational performance, FY 2021-22

Capacities in FY 2021-22

Unit	Sugar crushing (tonnes of cane per day)	Distillery (kilolitre per day)	Installed cogeneration capacity (megawatts)	Saleable cogeneration capacity (megawatts)	Agro (metric tonnes)
Balrampur	12000	160	53.05	27.25	50
Babhnan	10000	100	27.76	10.00	-
Tulsipur	7000	-	9.00	2.00	-
Haidergarh	5000	-	23.25	20.95	-
Akbarpur	7500	-	18.00	11.00	-
Mankapur	8000	100	43.60	30.00	100
Rauzagaon	8000	-	25.75	23.00	-
Kumbhi	8000	-	32.70	23.00	-
Gularia	8000	200	38.86	23.50	100
Maizapur	4000	-	10.00	5.00	-
Total	**77500**	**560**	**281.97**	**175.70**	**250**

Financial performance (₹ crore)

Particulars	March 2018	March 2019	March 2020	March 2021	March 2022
Revenue from operations	4,400.72	4,285.78	4,741.29	4,811.66	4,846.03
Other income	27.72	42.75	38.55	33.45	47.91
Total income	4,428.44	4,328.53	4,779.84	4,845.11	4,893.94
Stock adjustments	409.75	(538.36)	37.34	(55.83)	194.42
Cost of material consumed	3,064.88	3,595.41	3,464.15	3,511.86	3,261.73
Excise duty*	58.18	-	-	-	-
Gross profit	895.63	1,271.48	1,278.35	1,389.08	1,437.79
Overheads	416.26	539.66	557.83	641.79	690.18
PBDIT	479.37	731.82	720.52	747.29	747.61
Finance costs	52.03	40.94	64.17	39.30	30.87
PBDT	427.34	690.88	656.35	707.99	716.74
Depreciation and amortisation expenses	95.16	95.85	101.42	111.88	113.86
Profit before tax and exceptional items	332.18	595.03	554.93	596.11	602.88
Exceptional items	-	-	-	-	52.74
Profit before tax	332.18	595.03	554.93	596.11	655.62
Tax	111.06	24.39	45.65	126.34	140.96
Profit for the year	221.12	570.64	509.28	469.77	514.66
Other comprehensive income (net of tax)	(4.55)	(5.14)	(7.01)	(0.56)	(3.62)

Particulars	March 2018	March 2019	March 2020	March 2021	March 2022
Total comprehensive income (TCI)	216.57	565.50	502.27	469.21	511.04
Equity capital	22.84	22.84	22.00	21.00	20.40
Reserves	1,564.30	2,059.86	2,348.41	2,542.85	2,737.76

*Excise duty for March 2018 was on sales up to June 2017, following which GST became applicable

Value-added statement (₹ crore)

Particulars	March 2018	March 2019	March 2020	March 2021	March 2022
Income from operations	3,932.79	4,824.14	4,703.96	4,867.49	4,651.61
Add: Other income	27.72	42.75	38.55	33.45	47.91
Value added	3,960.51	4,866.89	4,742.51	4,900.94	4,699.52
Less: Cost of materials consumed	3,064.88	3,595.41	3,464.16	3,511.86	3,261.73
Less: Other manufacturing expenses	213.57	309.20	303.84	360.14	382.38
Equals gross value-added	682.06	962.28	974.51	1,028.94	1,055.41
Less: Depreciation and amortisation expenses	95.16	95.85	101.42	111.88	113.86
Exceptional items	-	-	-	-	52.74
Equals net value added	**586.90**	**866.43**	**873.09**	**917.06**	**994.29**
Allocation of net value added					
To Employees	209.79	238.36	265.70	281.65	307.80
To Government (via Taxes)	121.78	33.37	53.43	168.27	190.83
To Bankers (via interest)	52.03	40.94	64.17	39.30	30.87
To Investors (via dividend)	58.76	57.11	55.00	52.50	51.01
To Investors (via buy-back)	99.00	-	147.67	180.00	215.24
To the Company (via retained earnings)	45.54	496.65	286.67	195.34	194.54

Key financial numbers

Particulars	March 2018	March 2019	March 2020	March 2021	March 2022
Overhead/Total revenue (%)	9.46	12.59	11.77	13.34	14.24
EBITDA/Total revenue (%)	10.26	16.08	14.38	14.84	14.44
Interest/Total revenue (%)	1.18	0.96	1.35	0.82	0.64
Interest cover (times)	8.68	16.83	10.63	18.17	22.67
PBDT/Total revenue (%)	9.71	16.12	13.84	14.71	14.79
TCI/Total revenue (%)	4.92	13.19	10.59	9.75	10.55
Return on net worth (%)	14.63	32.02	23.43	19.46	19.73
Return on capital employed (%)	18.20	27.88	21.77	21.55	20.72

Balance Sheet ratios

Particulars	March 2018	March 2019	March 2020	March 2021	March 2022
Debt-equity ratio	0.08	0.18	0.19	0.14	0.09
Inventory turnover (days)	171	175	177	177	172
Current ratio	1.10	1.37	1.46	1.63	1.60
Quick ratio	0.14	0.31	0.31	0.22	0.12
Asset turnover (total revenue/total assets)	1.15	1.03	1.01	1.03	1.07
Fixed asset coverage ratio	11.72	3.91	3.65	4.44	7.15
Debt-service coverage ratio	2.22	7.00	4.57	4.28	4.52

Growth numbers

Particulars	March 2018	March 2019	March 2020	March 2021	March 2022
Growth in turnover (%)	20.87	(2.61)	10.63	1.48	0.71
Growth in EBITDA (%)	(48.06)	52.57	(1.03)	4.67	(1.98)

Share data

Particulars	March 2018	March 2019	March 2020	March 2021	March 2022
Basic EPS (₹)	9.41	24.98	22.98	22.01	24.86
CEPS (₹)	13.46	29.18	27.56	27.25	30.36
Dividend (₹ per share)	2.50	2.50	2.50	2.50	2.50
Book value (₹)	69.48	91.17	107.75	122.09	135.18
Price-earning (ratio)	8.04	5.49	4.53	9.75	19.69
Net indebtedness (₹)	5.44	16.45	20.38	17.31	12.59

Our story of investment, transformation and sustainability

Overview

It has been normal to begin my communication in the annual report each year with an overview of the Company's performance. This year I would like to begin with a review of the health of the country's sugar sector instead.

There was a time when the sector was considered consistently cyclical; we are now looking at the longest growth period in the history of the sugar sector in India.

There was a time when government intervention in cane pricing inevitably kick started a sectorial downtrend that translated into cane arrears; we are now seeing a responsible government intervention that promises to clear cane arrears and initiate possibly the most prosperous years for cane farmers in living memory.

The governments – at the Centre and State levels – made responsible, timely

The core of this sustainability is derived from an overarching reality: cane abundance. The Indian farmer is producing more cane than ever; India is producing more sugar than ever; this reality is the principal driver of the industry's growth for the moment and sustainability for the future.

and effective interventions in the last few years coupled with sensitive course corrections. This helped create a model of how a collaborative engagement between the government and the sector can translate into a win-all proposition for all stakeholders.

Consumer benefit: The Indian consumer is getting sugar at a stable price at a time of runaway inflation across virtually every other food product in India.

Farmer: The cane farmer is generating a year-on-year increase in income based on volume growth, attractive cane price and sales of his entire output.

Miller: The miller enjoys an unprecedented flexibility in moving from sugar to ethanol and vice versa based on market dynamics, strengthening business profitability.

Government: The Indian government has now directed the blending of ethanol with petrol to reduce imports, strengthening India's Balance of Payments, moderation of green-house gases and reducing the cane price arrears burden.

Society: Society stands to benefit in terms of relatively cleaner air following a decline in vehicular pollution arising out of the increased ethanol blend in petrol.

Never in my career as a sugar producer have I seen such a positive convergence of value creation for all stakeholders.

The national report card

What makes this convergence welcome is that one sees it as being sustainable.

The core of this sustainability is derived from an overarching reality: cane abundance. The Indian farmer is producing more cane than ever; India is producing more sugar than ever; this reality is the principal driver of the industry's growth for the moment and sustainability for the future.

Cane generates returns higher than any other competing crops, inspiring an increasing switch from other crops to cane. Not only is this generating higher returns per acre, but is also generating superior cash flows, with millers earning well enough to be able to remunerate farmers on time. If you see the farmer as a business microcosm, it would be easy to explain that not only profits are higher than ever but so are cash flows. This is more than just a financial game-changer; it is a sentiment changer and I cannot see how this reality is likely to be arrested or reversed (except for an act of nature).

I must mention here that there used to be a time when millers would ask farmers to restrict cane output during a sectorial down cycle, given the fear that excess cane production would moderate sugar realisations and extend the sector's losses. During the last year, despite an increase in domestic sugar output, realisations did not decline but steadied, which indicates the success of a value-driven model that enhances wealth for all stakeholders.

The reality is that domestic sugar consumption continues to grow, cane diversion to ethanol (which should have conventionally gone into additional sugar production) is rising, exports are growing and yet there has been no downward pressure on sugar realisations and nor has there been any increase, which indicates that the industry has found a sweet spot.

However, this is not to say that our business is completely immune to global developments. We will continue to depend on the export of surplus sugar after addressing domestic sugar demand and the diversion of sugar for the manufacture of ethanol.

Stable sugar scenario

There was a sharp increase in oil price in the later part of the last financial year on account of the Ukraine-Russia war. This reality accelerated the diversion of cane crop towards ethanol in Brazil for onward blending with petrol. This moderated Brazil's sugar inventory, which had a spillover impact on the global sugar inventory and realisations. The result is that even as global sugar realisation increased to 22 cents per pound, we believe that sugar has entered a new phase where 18-19 cents a pound could become the new 'floor'.

There are some reasons for this: India has experienced a number of years of monsoon abundance, any interruption in which could reduce the country's sugar inventory. It has been our experience that whenever this transpires, it may moderate sugar availability, strengthening global realisations.

Meanwhile, global sugar demand continues to rise incrementally as per capita incomes and aspirations continue to evolve the world over. We believe that rising sugar offtake, coupled with a progressively declining inventory and limited farm area accretion for cane growing could lay the foundation of long-term sectorial sustainability.

There could soon come a time when sugar could start leading the way in profitability for companies like ours, from a scenario where it is presently playing second fiddle to our distillery business.

Weather impact

This brings me to the only blip on the horizon – the role of the weather.

Despite all the cane development that we engaged in across the last few years, the Company's crushed cane volume increased marginally during the sugar season 2021-22 while recovery declined 37 bps (post diversion to B-heavy molasses) – a double impact.

This crop decline was on account of a substantial increase in precipitation across our two mills – Balrampur and Tulsipur - during the just-concluded crushing season. The locations reported 90 inches of rainfall against an annual track record of only 30-35 inches. Besides, there was an increase in cane disease across the Kumbhi and Gularia mills, which moderated recovery. The combination of underperformance across these four mills translated into disappointing cane throughput/recovery during the year.

The underperformance in cane crushing was recouped through the superior performance of our distillery division. Realizations in the distillery segment strengthened from ₹48.35 per litre to ₹53.38 per litre; the proportion of the distillery segment within the Company's revenues increased from 16.1% to 19.0%; the proportion of PBIT ascribed to distillery operations increased from 50.3% in FY 2020-21 to 55.6% during the year under review.

The net result was that the Company reported 0.7% increase in revenues, 9.6% increase in profit after tax and 8.1% increase in cash profit during the year under review. If this is how the Company could have performed in a year when its resource management was unusually stretched, then it only provides an insight into the robustness of the Company's business model and industry reality.

Taking our performance ahead

The Company intends to take its performance ahead through the following initiatives.

One, the Company intends to revive its cane throughput from a low of 87.5 Lakh tonnes to 110 Lakh tonnes, which should enhance sugar, ethanol and co-generation revenues, lifting the overall scale of operations.

Two, the Company intends to commission a distillery expansion from the present 560 KLPD to 1050 KLPD during the current financial year. The expansion is being commissioned at a capital cost per litre lower than the prevailing greenfield average, indicating that we are not only likely to become larger but also more profitable. This is likely to increase the proportion of ethanol within our overall revenue mix from 19.0% in FY 2021-22 to an estimated ~35% when the ethanol expansion has been completely utilised.

Three, we intend to engage in the most aggressive alteration in our cane variety mix. During the last financial year, we noticed a growing incidence of red rot disease across the C0 238 variety. Rather than wait for this incidence to widen, the Company moved proactively. The Company is working closely with advanced cane research institutes and the result is that we intend to introduce superior cane alternatives that moderate our excessive dependence on this single variety.

Outlook

The big question I am asked is: where is the Company likely to go from here?

The Company enjoys various options. It could expand its distillery capacity backed by an increase in cane output from within its command areas or grain access. The Company could explore profitable options from within the chemical universe following an even bigger sacrifice of sugar, ensuring that we maximise value from a stick of cane. And lastly, we could always return the excess cash flows that we generate to our lenders or shareholders, enhancing value for our Company.

This is all that I have to communicate as of now. I must thank our shareholders for their long standing patience and I am optimistic that we will be able to reward them better as we go ahead.

Just pray for the weather!

Vivek Saraogi,
Chairman and Managing Director

The Company reported 0.7% increase in revenues, 9.6% increase in profit after tax and 8.1% increase in cash profit during the year under review. If this is how the Company could have performed in a year when its resource management was unusually stretched, then it only provides an insight into the robustness of the Company's business model and industry reality.

How we have progressively transformed towards enhanced profitability and liquidity

Two big messages

The two overarching messages that one seeks to communicate to shareholders are:

One, the Company intends to fund its prospective capital expenditure (other than large capex programme) majorly through accruals, creating a foundation of business sustainability;

Two, the Company expects bank borrowings funding the Company's sugar inventory to moderate; this transformation in working capital management has been of a kind the Company has not seen in its existence.

Working capital trajectory

The Company's business is oriented towards crushing from November to April. During this period, the Company produces sugar that is then stored for onward sales through the coming months. This warrants the mobilisation of working capital to pay for cane, inventorise the sugar and sell as the government's monthly release permits. As a result, the mobilisation of adequate and economical working capital is intrinsic to the business.

At Balrampur, we believe that any improvement in the Company's profitability and business model must translate into an improvement in its working capital efficiency. Working capital is treated like a quasi-term loan at the Company; it peaks during the sugar season when cane is actively crushed but gradually declines as the sugar inventory is sold and accumulation moderated. The working capital outlay declines towards the end of the sugar season but revives when the Company needs to pay for cane at the start of the new sugar season. Therefore, if the Balance Sheet were to be recast on 15th November, the Company would be sitting with a zero inventory of sugar, zero payables to cane suppliers, zero working capital borrowings and with cash on the books higher than the outstanding term loan as on that date.

However, going forward, things could be different, implying that superior cash flows could make it possible for the Company to fund a part of its working capital needs not with short-term borrowings but with accruals. The Company expects to moderate short-term borrowings and this could reduce the Company's interest outflow.

Decline in working capital outlay

At the peak of the Company's working capital appetite in FY 2016-17 the Company mobilised ~₹1500 crore through short-term borrowings. However, the broad-basing of the Company's product mix towards ethanol initiated the moderation of the Company's working capital outlay (prompted by the fact that ethanol needs a considerably lower inventorisation cycle compared with sugar and hence a lower working capital outlay). The Company's working capital outlay declined from a peak of ~₹1500 crore in FY 2016-17 to ~₹960 crore in FY 2021-22, coupled with zero cane price arrears.

Decline in working capital intensity

Even as the proportion of revenues derived from ethanol was just ~19% of the Company's revenues during the year under review, the Company's working capital intensity declined – from a peak of ~68% that funded the inventory through bank borrowings now declined to ~44%.

As the Company's ethanol revenue rises to an estimated ~35% of the Company's revenue mix, this working capital intensity could decline further, transforming the Company into a low working capital-intensive company. The sharpness of the decline in working capital across the space indicates the cash flow-accretive nature of the business and the capacity to shrink the Balance Sheet while growing its profitability.

As an extension of the decline in working capital intensity, the Company was extensively under-drawn in terms of its working capital requirements. Even as the Company was sanctioned ₹2000 crore of short-term borrowings, the Company borrowed only ~48% of this amount during the year under review.

Credit rating

The Company's credit rating of AA+/(Stable) by CRISIL is the highest in India's sugar industry. The Company believes there is headroom for credit rating to improve. Should this happen, there could be a progressive decline in the cost of borrowings availed by the Company to fund cane procurement and sugar inventorisation.

Capital expenditure

The Company committed ~₹615 crore in its ongoing capital expenditure to enhance distillery capacity from 560 KLPD to 1050 KLPD and committed ~₹363 crore for the modernization of its sugar infrastructure and the commissioning of refinery at two locations. The expansions are likely to be commissioned at the start of the sugar season 2022-23 and funded through ₹500 crore of debt and ₹478 crore from internal accruals.

Expansion allocation

The Company's 1050 KLPD of distillery capacity will be completely allocated for ethanol production, except for the mandatory production of ~7% ENA to service country liquor requirements. The Company possesses a mix of capacity across ethanol manufactured through the B-Heavy route and juice. This fungible capacity and flexibility will help the Company respond to changes in market dynamics to maximise profitability.

Receivables

Each of our businesses enjoy a relatively short receivables cycle. Sugar, accounting for ~80% of our revenues during the year under review, was sold for immediate receipts; ethanol was sold around a 21 day receivables cycle while cogeneration proceeds were recovered on an average 90 days.

Revenue mix

The Company enjoys capacity fungibility between sugar and ethanol at one unit. The Company's production mix will be influenced by prevailing sugar and ethanol realisations. As realities stood at the beginning of FY 2022-23, the Company intends to maximise the production of ethanol through the molasses route (sacrificing sugar partly) and syrup route (sacrificing sugar entirely. As the Company's strategy stands, it will produce only as much sugar as it can market within India and without creating inventory overlaps (between sugar of the previous season and current season).

Sweating the cash flows

The Company will ensure that its cash flows cascade backwards to farmers. Even as the Company was stipulated to pay farmers in 14 days of procurement, the Company's cane payments were made well before 14 days. This is expected to incentivise additional cane growing within the Company's command areas, the upside of which could become visible during the forthcoming season.

Investor reward

The trickle-down of the Company's improving financials has been reflected in a series of share buybacks – five in five years – and dividend announcements as well. This sequence of equity buybacks is the largest of its kind in India's agro-based sector and indicative of how the Company expects to reward shareholders going ahead.

Pramod Patwari
Chief Financial Officer

Overview

How Balrampur is enhancing value for all its stakeholders: A report, 2021-22

The Integrated Report enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers), underlining the need for an organisation to enhance value in a sustainable manner. The report draws on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation's ability to create, enhance and sustain value.

Our sustainability framework

Strategy

- Manufacture products that address sustainable needs
- Enhance environmental responsibility of operations
- Provide an integrated products basket

Procurement economies

- Procure abundant resource through enduring relationships
- Procure economically through proximate procurement
- Procure superior quality

Products basket

- Manufacture two principal products
- Products linked by synergies
- Establish fungibility; move from one product to another

Manufacturing excellence

- Maximise asset utilisation
- Invest in cutting-edge technologies
- Manufacture better sugar quality at each location

Community support

Provide community support

Focus on integrated development

Engage in a sustainable way for extended impact

People competence

Enhance talent productivity

Invest in knowledge, experience and passion

Deepen outperformance

Environment integrity

Moderate resource consumption per unit of production

Protect the region's environment balance

Benchmark as per compliance standards

Financial structure

Repay debt

Strengthen working capital efficiency

Graduate towards ethanol manufacture

Our value enhancement strategy

- Make more products that enhance ecological integrity
- Timely farmer remuneration
- Integrate products (sugar / ethanol / co-generation/manure)
- Increase ethanol output
- Deepen cane development / logistics (higher yield / recovery)
- Work with an under-leveraged Balance Sheet
- Focus on building integrated sugar complexes (over standalone sugar manufacture)

Drivers of our value

Our employees
represent the aggregate knowledge of how to grow the business across a range of functions (cane procurement, manufacturing, quality, finance etc.). We provide an exciting workplace, generate stable employment and help enhance productivity

Our governments
provide us with a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen

Our shareholders
provided capital when we went into business. Our focus is to generate free cash, enhancing RoCE and, in doing so, increase the value of their holdings

Our communities
provide precious social capital (education, culture, security etc.). We support and grow communities through consistent engagement

Our vendors
provide credible and a continuously supply of resources (cane, equipment and services). We maximise quality cane procurement that is remunerated with speed, incentivizing additional planting

Our customers
keep us in business through a consistent purchase of products, generating the financial resources to sustain our operations. Our focus is to sell to a larger number of customers and retain them, strengthening relationships

At Balrampur, the prudent interplay of the value generated by each stakeholder ensures business sustainability and enhances organisational value.

The resources of value creation

We derive all our resources - cane, water, fossil fuels and the world's carbon sinks — from this capital. Our engagement is influenced by the degree of dependence on natural resources, environmental impact of the production process on the environment and what the organisation has to do to operate within environment limits.

This represents the relationships between our Company and stakeholders (community, governments, customers and supply chain partners). These could also comprise operating licenses, dependence on the public and supply chain.

This comprises physical infrastructure like buildings or technology equipment and tools that contribute to organizational productivity.

This includes resources such as patents, copyrights, intellectual property and organisational systems, procedures and protocols, which can provide competitive advantages.

This includes funds obtained through financing or generated through our accruals - the funds pool available in the production of goods or the provision of services, including debt and equity

This refers to skills and know-how of an organisation. The success of an organisation is tied to the competent management of teams. Excessive employee turnover or inadequate remuneration can affect our brand and ability to enhance value

BCML's integrated value chain

Cane development

- Investment in command areas to develop good farming practices using early maturing seeds
- Timely cane procurement to ensure better recovery

Manufacturing operations

- Efficiencies achieved through superior operations management led by a highly experienced team
- Optimisation of operational costs
- Continuous improvement
- Standardised operational procedures
- Maximise integration synergies through efficient byproducts generation and timely diversion

Commercialisation

- Sugar sales to trade partners
- Ethanol supplied to oil marketing companies
- Co-generation power supplied to the state electricity grid

Enhancing stakeholder value

Employee value

Employee benefits expense	2018-19	2019-20	2020-21	2021-22
(₹ crore)	230.46	254.00	281.65	307.80

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

Customer value (revenues)

Revenues	2018-19	2019-20	2020-21	2021-22
(₹ crore)	4285.78	4741.29	4811.66	4846.03

Quantity of total alcohol sold	2018-19	2019-20	2020-21	2021-22
(crore BL)	11.10	11.93	16.52	17.65

Quantity of sugar sold (domestic)	2018-19	2019-20	2020-21	2021-22
(Lakh quintals)	115.30	120.53	113.26	102.63

Quantity of co-generated power sold	2018-19	2019-20	2020-21	2021-22
(crore units)	66.38	52.61	42.63	34.93

Company's revenues increased, an index of the value created for customers.

Farmer value

Procurement (sugarcane)	2018-19	2019-20	2020-21	2021-22
(₹ crore)	3540.37	3441.50	3515.38	3252.97

The Company procured a larger quantum of cane, enhancing rural prosperity

Shareholder value

Market capitalization	2018-19	2019-20	2020-21	2021-22
(₹ crore)	3131.89	2289.10	4504.50	9985.72

The Company strengthened shareholder value through a complement of prudent business strategy, accruals reinvestment, cost management and share buybacks.

Community value

CSR	2018-19	2019-20	2020-21	2021-22
(₹ crore)	2.93	10.93	10.68	11.20

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

Our value creation strategy

Key enablers

Innovate and excel

Nurturing a culture of process excellence, reflected in higher plant availability and higher crushing recoveries.

This makes it possible for the Company to generate a higher throughput from existing capacities.

Cost leadership

Balrampur focuses on operational excellence and cost leadership.

The Company is one of the lowest cost producers on account of economies of scale, resource proximity and an under-borrowed Balance Sheet.

The Company's capital cost per tonne of installed capacity is among the lowest in India's sugar industry.

Supplier of choice

Balrampur reinforced customer engagements through adequate capacity, timely product delivery and high product quality.

Robust people practices

Balrampur is an employer of 6350 people across its facilities.

The Company's people engagement has been marked by a culture of urgency, delegation, empowerment, responsibility and accountability.

The Company's invigorating workplace is marked by training, engagement, fair appraisal and attractive reward.

Responsible corporate citizen

Balrampur is a responsible corporate citizen.

The Company is engaged in community development activities in the hinterland of manufacturing facilities.

The Company spent ₹11.20 crore across CSR activities in 2021-22.

Value-creation

Balrampur enhances value for all its stakeholders.

It manufactures products that enhance lifestyle and well-being.

Sugar enhances taste and preservative value.

Ethanol is blended with petrol to reduce vehicular emissions.

Co-generated power makes it possible to reduce the use of fossil-based electricity.

Material issues addressed	Capitals impacted
Superior technology leading to production efficiency and quality	Manufactured, Intellectual, Financial
Creating the basis of longterm viability through an any-market cycle competitiveness	Financial, Intellectual, Natural, Social and Relationship
Enhancing revenue visibility through product criticality, enduring customer relationships and national policy alignment	Intellectual, Manufactured, Social and Relationship
Creating a professional culture with authority, responsibility and accountability, seeking overarching excellence in everything the Company does	Intellectual, Human
Community engagement; widening the prosperity circle	Social and Relationship, Natural
Stakeholders' need for enhanced value creation	Intellectual, Manufactured, Social and Relationship

Balrampur and shareholder value creation

Enhancing value

9,985.72	4,504.50	2,289.10
₹ crore, market capitalization, 31 March, 2022	₹ crore, market capitalization, 31 March, 2021	₹ crore, market capitalization, 31 March, 2020

Capital efficiency

3,034.22	2,921.00	2,788.96
₹ crore, capital employed, FY 2021-22	₹ crore, capital employed, FY 2020-21	₹ crore ,capital employed, FY 2019-20

Working capital efficiency

959.85	891.36	1058.69
₹ crore, working capital borrowings, FY 2021-22	₹ crore, working capital borrowings, FY 2020-21	₹ crore, working capital borrowings, FY 2019-20

Reducing Balance Sheet size

0.09	0.14	0.19
(X), gearing, FY 2021-22	(X), gearing, FY 2020-21	(X), gearing, FY 2019-20

Net worth

2,705.16	2,510.85	2,317.41
₹ crore, net worth, 31 March, 2022	₹ crore, net worth, 31 March, 2021	₹ crore, net worth, 31 March, 2020

EBITDA/Net Block*

42.83	44.65	41.99
%, FY 2021-22	%, FY 2020-21	%, FY 2019-20

*Excluding CWIP

Particulars	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Cash accruals (₹ crore)	316.34	666.49	610.70	581.65	628.52

Overview

At Balrampur, our shareholder value-creation principles have been validated. We have consistently been among the leading value-creators in our sector through a structured approach marked by strategic conservatism and measured tactical aggression.

During the last three decades, we were convinced that competitiveness in the sugar business would be derived from a growing cane access. We commissioned new cane crushing facilities in Uttar Pradesh, proximate to large command areas with a cane growing tradition, headroom in increasing cane output, opportunity in graduating farmers from conventional to modern farm practices and flexibility in shrinking the cane repayment tenure. We replicated our East Uttar Pradesh success in Central Uttar Pradesh, transforming realities.

The outcome

At Balrampur, we invested disproportionately in cane management, the engine of our growth. We created a large field force empowered with hand-held technology tools and drone-based computation; our field members visited every single farm within our command area to build information repositories on cane access possibilities.

The outcome was that we increased cane procurement from 772.80 Lakh quintals in FY 2013-14 to 885.42 Lakh quintals in FY 2021-22. By the close of the year under review, the Company was among the largest cane buyers in Uttar Pradesh; in the last 10 years, the Company is estimated to have procured more than ₹25,000 crore of cane.

Measured risk-taking

The Company did not immediately scale production capacities. The Company first waited for long-term policies to secure the sugar sector; it waited for these policies to translate into ground-level order books, ascertain profitability and only then disproportionately build production assets. The Company's distillery assets were built around low-cost extended tenor debt, moderating its break-even point.

Outcomes

The Company's business is built around two revenue engines.

The ability to spin sugar and ethanol (large volume coupled with mid-margin plus growing volume of attractive margin product) from a stick of cane is coupled with a growing customer appetite.

The sugar business enjoys capacity fungibility, empowering it to shift from the production of sugar to ethanol and vice versa in response to market conditions (the Company's revenue mix is expected to graduate from sugar to ethanol).

The working capital outlay is expected to decline; the Company's interest cover is expected to increase. The Company expects to generate more cash than it can consume, strengthening long-term profitability.

The capital cost per litre of commissioned distillery assets is lower than the prevailing greenfield benchmark, an attractive platform around which to grow the business.

The Company expects to grow through its accruals, a platform for long-term sustainable profitability.

We believe that the combination of volume (arising out of increased distillery capacity) and value (arising out of available margins) represents a platform for revenue, margin and surplus scalability.

The Company engaged in a successive buyback of equity shares, which reduced capital available and correspondingly increased earnings per share.

Responsible shareholder value will be delivered out of an alignment of the Company's plants, processes and practices being aligned with global, national and local heath-safety-environment benchmarks.

Balrampur: Drivers of long-term shareholder value

RoCE-centric approach	Focus on maximizing capital efficiency	Low cost, integration and gravitation towards high earning products	Increased ethanol proportion in the revenue mix
Singular raw material	Focus on encouraging cane growth	Increased technology use in cane growing	Broad-basing of cane varieties
Multiple revenue engines	Broad-basing of revenues	Synergic product linkages	Increased distillery capacity
Swing capacity	Attractive capacity fungibility	Sugar to ethanol to sugar being exercised	Flexible response to market realities
Revenue shift	Ethanol revenue mix increasing	Projected increase in profitability	Large ethanol growth headroom
Accrual-driven growth	Total capex of ₹1025 crore in the last five years	Distillery capex of ₹384.68 crore in the last five years	Sustainable growth

Working capital hygiene	Declining working capital outlay	Generation of increased cash flows	Free cash flow-based business a reality
Liquidity	Declining debt	Increased cash proportion of earnings	Increased interest cover
Capital cost / litre	Proactive distillery investments	Capital cost per litre lower than greenfield cost	Large capacity at a lower commissioned cost
Volume-value mix	Volumes being driven by sugar and co-generation	Value being driven by growing distillery business	Volume-value mix ensuring business stability
Cash-positive	Reserves were ₹2,737.76 crore as on 31 March, 2022	Business largely driven by net worth	Increasing shareholder value
Buyback	The Company completed five share buybacks in five years	Total buyback value (including tax) ₹908.71 crore until FY 2021-22	Market cap increased 192% from the first to last buyback
Responsible	The Company practices complete compliances	It has invested in environment-protecting assets	It documents and publicly communicates compliance standards

PART 2

How a large ethanol opportunity is riding long-term government policy

Big numbers

~8.90

kilogram of carbon dioxide released from ~3.78 litres of unblended fossil fuel

~8.01

kilogram of carbon dioxide released from ~3.78 litres of ten per cent blended fuel

Overview

Ethanol: One of the most exciting transformative stories to come out of a modernizing India

This section of the Annual Report has been dedicated to the subject of ethanol.

Ethanol is not just a distillery product; it is one of the biggest successes of the Indian government's policy reform.

Ever since the National Biofuels Policy was introduced in 2018, the transformation in India's ethanol segment has been immediate and dramatic.

The segment has attracted its largest investment in decades within the space of a couple of years.

The segment has initiated a transformation in the Balance Sheet quality of sugar companies.

The segment has singularly enhanced the valuations of sugar companies.

The segment is emerging as the single biggest driver of the sugar industry's graduation towards stakeholder value creation and sustainability.

Brazil. Where any discussion must commence when it comes to ethanol

Overview

At BCML, we believe India is at the start of a long-term J-curve related to the ethanol sector.

Brazil commenced the production of fuel ethanol in 1927. The country legislated that the ethanol content in gasoline sold in that country should be in the range of 18% to 27.5% (now 27%). The use of 100% hydrous ethanol by flex-fuel vehicles in Brazil increased the average share of ethanol in transportation to 52.5%, the highest in the world and used a model of the role that ethanol can play in modern lives.

Despite being a more populous country, India's ethanol production is a tenth of Brazil.

Following the launch of flex-fuel vehicles in Brazil from March 2003 to October 2021, the responsible use of ethanol obviated the release of around 570 million tonnes of CO2 equivalent.

This is an encouraging model for the world, considering that Brazil's hybrid flex model is considered 'better than the best' electric vehicle in Europe; a hybrid equivalent emits 29 gCo2/km while an electric vehicle emits 35gCo2/km.

Even as India makes a quantum leap in ethanol output by the end of this decade, Brazil is expected to generate more than twice India's incremental output – and this is on a population base that is a seventh of India's.

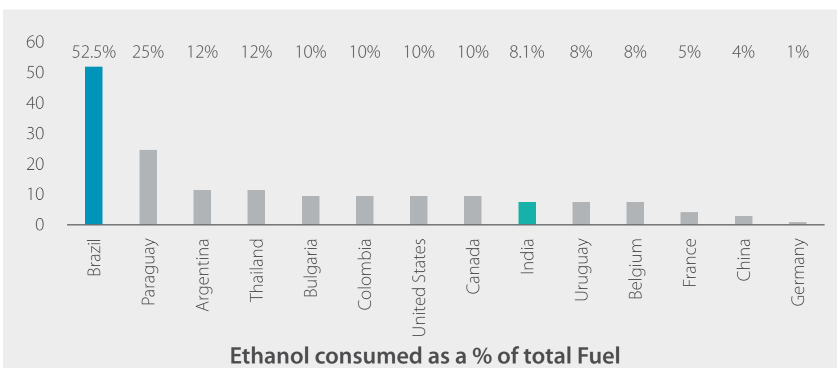
However, the scenario gets better from here. India trebled ethanol demand to around 3.7 billion litres between 2017 and 2021. India is demonstrating a growing ethanol appetite: by 2025, ethanol demand is expected to rise to ~13.5 billion litres, of which ~10.16 billion litres will be required for blending at 20% and the remaining ~3.4 billion litres for non-fuel purposes. Interestingly, India's oil marketing companies have started 11% blending wherever ethanol is available; the government has directed India's automobile industry to launch flex-fuel cars that consume up to 85% ethanol. Should this transpire, India's ethanol industry could grow to USD 40-45bn.

India could then become the third-largest ethanol market in the world, a status befitting its population size and economic growth.

India's ethanol industry is still small but has huge potential to grow in the next decade

Snapshot	Brazil	India
FY 2020-21 Ethanol production (billion litres)	30	3.5
FY 2024-25E Ethanol production target (billion litres)	50	13.5
Cane diverted towards ethanol (%)	56%	~20%
Flex-fuel car penetration (% of total cars)	82%	-

Ethanol consumption is the highest in Brazil versus other major countries (2020)



Ethanol must be seen as a critical part of complex whole in India

Overview

The supply of ethanol under the Ethanol Blending Programme increased from 38 crore litres during ESY 2013-14 to 173 crore litres during ESY 2019-20, corresponding to an increase in the blend percentage from 1.53% to 5.00%. The allocation for 2020-21 surged to 332 crore litres, 91% higher than ethanol supplies during the 2019-20 and based on 8.5% blending. Besides, the increases are galloping, indicating a watershed.

There were around 225 registered vehicles for every thousand people in India in 2019 when compared with the global average of 343. The International Energy Agency suggests that passenger car ownership could increase more than 650% across the next decade, based on a correlation between per capita income and vehicle miles travelled. India's two-wheeler (petrol) population is expected to increase from 14 million units in FY 2020-21 to an estimated 31 million units by FY 30; passenger vehicle population is expected to increase from around 20 million units to 41 million units during this period (share of petrol vehicles at 83% of total passenger vehicle sales as per SIAM).

India's rising oil consumption

India's crude oil import was placed at 212 million tonnes with an estimated value of ₹6113 billion in FY 2021-22. Even as India accounted for nearly 18% of the global population, it accounted for only 4.6% of the global oil consumption; its annual oil consumption per capita was only 51.4 gallons compared to a country like China where the corresponding figure was 3x and a country like USA where it was 18x.

This under-consumption will progressively correct. India's oil consumption growth is twice the rate of China. Oil demand in India is projected to register a 2x growth to reach 11 million barrels per day by 2045. India's energy demand is expected to double to 1,516 Mtoe by 2035 from 753.7 Mtoe in 2017. Crude oil consumption is expected to grow at a CAGR of 4.66% to 500 million metric tonnes per annum by 2040 from 201.26 million tonnes in 2021. The demand for oil from cars could continue to increase – by about 5Mb/d by 2035 on account of population and economic growth.

India's ethanol story is part of a global trend

Ethanol is one of the most suitable alternative blending transportation fuels due to its better fuel quality (ethanol has a higher octane number) and environmental benefits. The global production of fuel ethanol touched 110 billion litres in 2019, growing 4% year-on-year across the last decade. The global ethanol market size is expected to be worth around USD 155.6 billion by 2030 from USD 93.7 billion in 2020. Increasing use of ethanol as biofuel is driving the growth of the global ethanol market. Ethanol fuel offers advantage of being a low carbon monoxide product compared to gasoline-powered engines.

The addition of ethanol to fuel is being propelled by its ability to burn much cleaner than pure gas. Ethanol use in industries such as automotive, chemicals, food & beverages, personal care & cosmetics and pharmaceuticals continues to grow. Increasing crude prices and increasing concerns about greenhouse gases are expected to strengthen ethanol demand in developed and developing countries.

Demand projections of fuel ethanol in India

The demand for ethanol fuel in India is expected to increase from 370 crore litres in ethanol supply year 2020-21 to 1016 crore litres by ethanol year 2025-26.

Oil consumption comparison of different countries

Country	World share (%)	Yearly gallons per capita
United States	20.3	934.3
China	13.2	138.7
India	4.6	51.4
Brazil	3.1	221.9

Ethanol: Represents a win-win proposition for resource supplier, producer, consumer, society and country

Overview

In the past two decades, India encountered a disproportionate increase in oil consumption. The country's crude import bill increased from USD 48.1 billion in FY07 to USD 119 billion in FY 2021-22.

OPEC indicates India could report the fastest average annual oil demand growth of 3.7% per annum through to CY40.

This oil-intensity is the principal reason behind India accounting for 70% of the world's 20 most polluted cities in 2021.

The use of ethanol is being seen as a gamechanger, providing a range of upsides to transform the sector and society

Win-win: The increased use of ethanol as a fuel blend enhances value for farmers, industry, consumer and society – income, growth, clean air and resource security. This provides a long-term optimism about the sustainability of this policy

Decoupling: The ethanolisation of India validates that economic growth need not be dovetailed with environment degradation or a higher carbon footprint – a model for responsible sustained economic growth

Make in India: The increased consumption of ethanol is likely to moderate the import of oil, moderate the pressure on the Indian currency, produce more from within the country, catalyse industrialization, generate jobs and build stronger resource security.

Hygiene: Ethanol is a relatively cleaner blending media as it facilitates a complete combustion of the blended fuel and releases lower emissions. Sugarcane ethanol generates the lowest carbon footprint globally among biofuels with a high energy efficiency (clean and renewable source of energy). This moderates health care expenses, diverting savings into productive spending.

Widening applications: In addition to blending with petrol, ethanol enjoys varied applications in replacing toxic chemicals with green chemistries. The non-fuel demand for ethanol is estimated at ~3.4 billion litres by CY26, growing at an 18% CAGR.

Government policy: The Indian government enunciated a long-term policy to encourage investments, assure offtake and announce remunerative prices linked to raw material used and output sacrificed; it accorded permission to manufacturers to produce from various feed-stock, enhancing investor confidence

Liquidity: The business is marked by a low receivables cycle leading to lower working capital requirement, strengthening reinvestment and catalysing industry growth

These benefits, at 20% ethanol blending by 2025, could generate ₹30,000 crore foreign exchange savings a year, enhance energy security, moderate carbon emissions, improve air quality, find an effective use for damaged food grain, increase farmer incomes, widen employment and strengthen industrialization.

The message on the wall is that bio-blending is not just a fad for the moment; it represents a long-term strategic shift expected to grow the sector and benefit the entire eco-system.

Big numbers

2.5	16.5	10	20
USD billion, Indian ethanol market, 2019	USD billion, estimated Indian ethanol market, 2030	% blending by India's OMCs, 2022	% blending estimate by India's OMCs, 2025

Ethanol: A policy game-changer by the government

Overview

Even though India's ethanol story is nascent, it is already being considered as one of the most decisive in India's agri-based sector.

This is why: despite blending mandates having been in existence for nearly 20 years (first announced in 2003), ethanol production failed to increase due to capacity constraints. Until 2018, India's annual ethanol installed capacity was a mere ~1.5-1.7bn litres.

The National Biofuel Policy in May 2018 with subsequent changes represents a watershed. The policy was important for various reasons.

One, it was important because it was an over-arching policy that enunciated a long-term direction, reducing ambiguity, highlighting national targets and encouraging investments.

Two, the policy aimed to increase biofuel availability by enhancing blending rates in petrol from less than 5% to 20% by CY30 and in diesel from 0.1% to 5.0% by CY30.

Three, the policy encouraged blending the ethanol derived from multiple feedstock with petrol; this widened the feedstock basket to sugar beet, corn, damaged food grain, potatoes and even municipal solid waste.

Four, the government incentivised investments in ethanol manufacturing capacity through an interest subvention scheme for molasses and grain-based distilleries at 50% of the actual interest rate up to 6%.

Five, the government set standards for E5 (ethanol 5%, petrol 95%), E10 and E20 blends of ethanol blended petrol, enhancing downstream clarity.

Six, the policy made it mandatory for oil marketing companies to buy all the ethanol produced, any failure in which attracted a penalty, taking the marketing risk out of the business.

Seven, the government announced remunerative ethanol realisations which were higher than sugar realizations.

Eight, the government permitted sugar manufacturers to swing their manufacturing capacities – towards ethanol when sugar realisations were lower than ethanol and vice versa, influencing the overall business more by market dynamics than erratic policies.

Nine, the OMC remuneration was faster (within 21 days), circumventing issues related to working capital outlay, debt and storage

Traction created by favourable government policies

213	23,145	66
Number of distillery proposals for ethanol manufacture, September 2020 to January 2021	KLPD, aggregate capacity of proposed new distilleries	% of new distilleries to be dual-fed (molasses and grain)

Success

The success of this scheme is reflected in the numbers: supply of ethanol under EBP increased from 38 crore litres in 2013-14 to 290 crore litres in 2020-21 to 416 crore litres in 2021-22, corresponding to an increase in the blending percentage from 1.5% to 8.0% and 10%.

Realisations and returns

Ethanol realization from B-Heavy and 100% cane juice increased by 11% and 25%, respectively.

PART 3

How Balrampur expects to emerge as one of India's largest ethanol producers in the sugar sector

Big numbers

360	520	560	1050
KLPD, BCML distillery capacity, 31 March, 2019	KLPD, BCML distillery capacity, 31 March, 2021	KLPD, BCML distillery capacity, 31 March, 2022	KLPD, BCML distillery capacity, 31 March, 2023E

Overview

The Company started distillery operations in 1995 with capacity of 60 KLPD. In 2015, the Company commissioned an incineration boiler, when it was not mandatory, that permitted operations to run from 270 days to 330 days.

The Company is engaged in enhancing its aggregate distillery capacity to 1050 KLPD translating to ~35 crore BL of annual alcohol throughput. The two ethanol projects - expansion of the 170KLPD distillery in Balrampur, new 320KLPD greenfield project in Maizapur - are expected to increase installed capacity to 1050 KLPD by November 2022, making the Company arguably the largest ethanol producer in Uttar Pradesh.

These distilleries are zero liquid discharge-compliant, underlining the Company's responsibility.

The Company's ethanol volume is expected to grow at a CAGR of 31% over FY 21-24E; The Company's capacity is expected to be around 7% of pan-India requirement at 10% blending, 4% at 20% blending requirement for India.

The proposed manufacture of ~35 crore litres is expected to enhance the proportion of revenues generated from ethanol from 19% in FY 2021-22 to an estimated ~35% at peak distillery capacity.

By the virtue of combining volume at one end of our business and value to another, we expect to create significant value for all our stakeholders.

Balrampur: Positioned to enhanced shareholder value

Overview

At Balrampur, we have delivered stand-out value for shareholders. The Company is attractively placed to enhance value through its unfolding ethanol story. This section indicates how we seek to enhance organisational value through strategic clarity.

The drivers of our strategy

Investment: Nearly ~37% of the Company's investment since FY19 was invested in the distillery business

Scale: At Balrampur, we invested ~₹1025 crore in our gross block across five years. The Company is engaged in increasing its manufacturing capacity from 560 KLPD to 1050 KLPD, which is slated to become operational in time for the 2022-23 sugar season. This investment could generate the highest returns across the foreseeable future.

Debt management: The Company's capital expenditure of ~₹1000 crore will be funded through accruals to the extent of ₹500 crore and the rest through long-term debt.

Completely balanced: At Balrampur, we will grow our ethanol manufacturing capacity only to the extent of feed-stock available within. This business rightsizing will maximise the return on employed capital.

Cane dynamics: At Balrampur, we focus on enhancing cane yield and volume, a foundation on which to generate increasing volumes and build our downstream businesses (sugar or ethanol).

Diverse regions: At Balrampur, we possess a headroom to commission ethanol manufacturing capacities at other manufacturing locations, should we consider it necessary, or commission standalone distilleries.

Sacrificing strategy: At Balrampur, we estimate what business will be more profitable (ethanol or sugar), prompting a sugar 'sacrifice' quantum based on prevailing market dynamics.

Blend of B-Heavy and C-Heavy: At Balrampur, we have outlined the processes for manufacture, a transparent matrix that pre-decides the process to be utilised across each plant and how it will contribute to our profitability. In FY 2021-22, the Company sacrificed ~11.32 Lakh quintals of sugar (69.3% cane diverted to B-heavy) to produce more B-heavy molasses compared to 11.73 Lakh quintals of sugar 65.4% cane diverted towards B-heavy) in FY 2020-21. Following the expansion of the Balrampur distillery and commencement of the Maizapur distillery, the Company plans to sacrifice the entire sugar at the Maizapur unit and a certain portion at its Balrampur unit to produce ethanol from juice. This will neutralise the need to export sugar.

Debt component and cost: At Balrampur, ~72% of our envisaged term loan borrowings of ₹500 crore to sustain a capital expenditure of ~₹1000 crore came at a subsidised rate, carrying 50% interest subvention from the Government and for the loan to be repaid in five years, an attractively viable financial structure.

Assured procurement: To enhance business attractiveness, oil marketing companies issued a five-year ethanol tender with an indicative ethanol quantum intended for procurement in each of the five years, enhancing demand visibility that is considerably higher than production.

Multi-feedstock flexibility: At Balrampur, we invested in a flexibility to switch between direct sugarcane juice and broken rice, which will help operate the plant round the year with a higher RoCE and declining payback.

The outcomes of our strategy

Increased ethanol proportion: The Company expects to increase the proportion of revenues from ethanol from ~19% in 2021-22 to an estimated ~35% at peak distillery capacity.

Shrink inventories: Ethanol is produced from cane syrup or molasses generated from within and can be sold as soon as it is produced - no inventorisation.

Shrink Balance Sheet: If we produce more ethanol, sell faster than sugar and collect receivables faster as well, we will require declining working capital, which could transform our Balance Sheet: from a peak working capital outlay of ~₹1500 crore a few years ago to ~₹900 crore now and lower as we go ahead.

Liquidity: The larger the Company from an ethanol perspective, the better its liquidity – as measured by interest cover (EBITDA divided by interest), cash flow analysis, cash and bank balance, gearing and interest as a proportion of revenues, empowering accrual-driven investing.

The result is that the pay-back for the Maizapur distillery is ~3.75 years and that for Balrampur distillery ~2.15 years based on prevailing dynamics.

PART 4

How we intend to emerge as India's most competitive cane-based ethanol producing company

Overview

Balrampur has been engaged in the distillery business since 1995 when the Company commissioned its maiden 60 KLPD capacity (expanded thereafter to 560 KLPD).

The following section explains how the Company was at the right place at the right time to capitalise on the National Biofuel Policy on 2018.

One, the Company capitalised on the experience of 27 years in the business, enhancing preparedness to address the emerging industry scenario.

Two, the Company's distillery capacity of 560 KLPD till 2022 had been created at one of the lowest capital costs per litre.

Three, the Company possessed a critical ethanol mass to address the new policy, higher than most ethanol players in Uttar Pradesh.

Four, the Company possessed a gearing of 0.09 as on 31 March, 2022, which was extensively under-borrowed, empowering the acceleration of additional distillery capacity.

Five, the Company possessed cane access from ten command areas in Uttar Pradesh, which made it among the largest cane buyers in the state, a robust foundation to scale the business.

Six, the Company invested proactively in clean manufacturing technologies, permitting it to maximise operating days in a year.

We are convinced that these fundamentals represent an attractive platform on which to build multi-year business sustainability.


Longstanding experience
Competitive capital costs
Clean technologies
Balrampur's scalable distillery foundation
Critical mass
Large cane access
Comfortable gearing

PART 5

Our passion and performance

Gularia: Our showpiece sugar manufacturing complex

~200 kms from Lucknow in Uttar Pradesh, accounting for ~15% of the Company's cane crushing

Overview

Cane

8000

TCD, cane crushing capacity, 2007-08

8000

TCD, cane crushing capacity, 2021-22

Sugar produced

7.08

Lakh quintals produced in FY 2007-08

12.12

Lakh quintals produced in FY 2021-22

Distillery

Nil

KLPD, ethanol manufacturing capacity, 2007-08

200

KLPD, ethanol manufacturing capacity, 2021-22

Sugar recovery (pre-diversion)

10.08

Average sugar recovery, 2007-08 (in %)

11.45

Average sugar recovery, 2021-22 (in %)

Our pedigree

Location

Gularia is an integrated sugar complex in Lakhimpur Kheri district (nine sugar units in the district), located beside a highway

Sugar complex

The 150-acre sugar complex comprises a sugar unit, power plant, distillery and agro division, unlike any other within the Company. Its compactness has helped enhance space and resource utilization.

Capacity utilisation

The unit tops the Company's capacity utilisation performance.

Command area

Around 97% area is covered with high sugar variety, enhancing yield; the Company engages with more than 60,000 farmers

Sugar quality

The plant produced a high sugar grade (85 ICUMSA), marked by superior grain size and lustre

Operational efficiency

A high plant uptime of around 99.8% is an industry benchmark

Modern

The unit is automated with distributed control systems along with Grooved Roller Pressure Feeder (GRPF) system installed in all five sugar mills of the unit; the unit also invested in SAP

Environment-friendly

The plant engages in 100% water recycling with zero ground water extraction and zero water & effluent discharges

Outperformer

The plant has been ranked among the top three units as measured by sugar recovery in Uttar Pradesh for five years; farmers servicing the Gularia unit bagged the first prize in sugar yield in Uttar Pradesh; the unit is a benchmark within the Company for capacity utilisation, recovery, efficiencies, power, water and steam consumption

Case study

Challenge

When new incineration boilers were installed at the Gularia unit in 2019-20, the Company encountered operational challenges that resulted in a breakdown every couple of days, stretching employee attendance to 16 hours a day.

Responses

The management created a team to study variables; it commissioned new equipment (soot blowers and changed the solve nozzle direction).

Outcome

The incineration boilers now operate for around 65 days without downtime

Employee interviews of Gularia

"The biggest Gularia achievement is zero liquid discharge. We installed incineration boilers to use waste slop as boiler fuel. Over time, Gularia can emerge as an ethanol hub."

Akhilesh Dwivedi
Chief Manager, Stores

"Earlier, operational data reached the head office after 15 days of the end of the quarter. We now present quarterly data within the first week to the head office."

Shaheen Zubair
Accounts Head

"When the ethanol plant was installed in 2020, the capacity was 160 KLPD. We achieved 100% capacity utilisation from the first day of commissioning."

Tushar Agarwal
Commercial Head

"During 2010-11, it was difficult to achieve a sugar recovery of 9% due to the incidence of disease. A couple of years ago, our sugar recovery went above 13%."

O. P. Chauhan
General Manager, Cane operations

unit, Balrampur Chini Mills

"I have a target of 3280 hectares of spring planting, out of which I completed 99%, which gave me an average cane intensity of 83% with select pockets at around 70% - which represents a scope to grow."

Praveen Sharma
Cane operations

"The use of B-heavy molasses in the initial stage resulted in damage of pumps and choking. We changed the variety of material and replaced all the pumps. In the 2.5 years of our distillery, we have not faced a single breakdown thereafter."

Rajnish Rastogi
Manager, Engineering, Chemical plant

"This plant is a showcase. Moreover, machine spare parts are developed and maintained in our workshops. Only 45 employees manage the entire boiling house of the power plant."

Sanjay Singh
General Manager, Engineering

"The Gularia unit is among the top 10 in India in terms of cane crushing recovery. The unit enjoys zero liquid discharge and water loss; zero breakdowns validate its operational efficiency."

Akhilesh Singh
Deputy Manager, Power plant

"Whenever the unit encounters an operational challenge, employees don't return home until the challenge is addressed. This kind of commitment is rare."

Devendra Yadav
Junior Engineer

"The downtime at the Gularia plant is almost zero; the plant operates 24 hours without stoppage – our downtime of 0.2% compares favourably with the industry norm of 5%."

Nirmal K Agarwal
Executive President (since retired)

"Gularia has revolutionised the concept of minimal seed use. The plant technology optimises energy utilisation, helping reduce carbon footprint."

Rajiv Sinha
Head, Information technology (IT)

"The Gularia plant capacity is 8000 TCD and we have achieved capacity utilisation of 100% in the first year itself. The plant has minimal breakdown and operates smoothly. The team addresses environment and pollution norms in addition to 100% water recycling with zero ground water extraction and zero water or effluents discharge. The waste material is utilised in the incineration boilers. The result: Gularia is a model plant."

Lakhan Lal Trivedi
Chief Manager, Human resource

"The Gularia unit comprises a sugar plant, power plant, distillery, incineration boiling house and CO2 plant - among the top three units in the Uttar Pradesh sugar sector. The Gularia unit is equipped with advanced technologies like automation and distributed control system."

Dinesh Chauhan
Additional General Manager, Instrumentation

"Following the commissioning of new boilers, we faced problems. We identified the problem and involved engineers of the supplying company, showed them the choking zones and procured additional soot blowers, which resulted in a better performance. Today, the boiler runs nonstop for 65 days."

Vivek Tomar
Senior Manager, Power plant.

"If there is even a slight static charge in our tanker, the pump will not run. The entire plant has a ring-based fire safety system in which we have three safety layers. If the temperature of alcohol tanks goes beyond 60degree centigrade then there is a medium velocity water spray system (MVWS) that cools the liquid. In the second stage, if the temperature rises above in the tanks and goes up to 70 degree centigrade, foam with water is automatically sprayed on the tanks."

Vinod Kumar Mishra
Chief Manager, Distillery

"During 2021-22, the plant undertook various technological improvements: the boiler-drum level control was enhanced from one to three elements and the secondary air fan in the boiler was upgraded to variable frequency drive, moderating power consumption by 5%."

Sanjay Mishra
Deputy General Manager Power Plant

"At Gularia, we conduct root cause analyses to identify downtime. The electricians, technicians and engineers conduct periodical shift wise monitoring of each equipment, which helps detect probable problems, inspiring timely maintenance. The result: 100% capacity utilisation with relatively low manpower."

Sunil Kumar Singh
Deputy General Manager, Electrical

"Our policies revolve around the concept of 'employees ke saath bhi aur employees ke baad bhi'. Two Gularia colleagues passed away during the pandemic; the Company provided monetary compensation and scholarship to their children."

Upendra Dutt
Deputy Manager, Human Resources

"At Gularia, all 60,000 farmers are linked to the factory through the Balram app; all manuals related to various topics are within this app."

Devendra Singh
Chief Manager, Boiling house

"Within three years, we expect to generate the upsides of crop variety rotation, which will deepen our positioning as a model plant in India's sugar industry."

Ajay Srivastav
Chief Manager, Quality control

Building a better world for all around Gularia

Education

Library in Kasturba Gandhi Awas Valika Vidyalaya, Bijua

- Lakhimpur Kheri district marked by cane farmers with low educational priority
- School addresses drop-outs; hostel dedicated to girls to continue education
- Library empowered girls to study and increase knowledge
- BCML provided tables, chairs, racks, cupboards, water cooler and water purifier
- Proposed investment of computers, smart television and basketball court
- Proposed introduction of an external faculty

Our students speak

"BCML provides us with library facilities. I hope to become a school teacher when I grow up."

Palak Devi,
Class 6

"The library racks provided by BCML have helped increase the number of books. I am excited that BCML is planning to install computers in our school."

Shradha Raj,
Class 8

Provided basic learning amenities in UPS school, Bagia Khera, Diwantanda

- The school lacked benches and desks
- BCML provided 80 benches for enhanced classroom comfort
- It distributed table lamps to students to study during power outages
- Student attendance increased 10%.

Our students speak

"My parents passed away when I was 5 and this school is my second home. BCML provided benches so that we can study comfortably. They provided lamps to each one of us which helped us to study without the fear of a power cut."

Anamika Singh,
Class 8

"I was raised in a joint family, where managing two meals a day was a big deal. At school, my parents don't need to worry about my mid-day meal. I could not concentrate in the classes due to leg pain as I had to sit on the floor. BCML's benches have helped me concentrate better."

Nirmal Kumar,
Class 7

Improving health care

Assistance to a delivery centre in Diwantanda

- The delivery centre was not maintained for years
- BCML renovated the infrastructure with beds, weighing machine, tables, water cooler and solar lights
- Improved facilities enhanced patient attendance by 80%

Assistance to delivery centre in Dharmapur

- The building of the delivery centre was in a dilapidated state
- The facility was attended by a handful of patients each day
- BCML tiled the floor, repaired the building and added furniture
- Patient inflow doubled

Improvements in a health centre (Samudik Swastha Kendra, Bijua)

- BCML installed an X-ray machine
- Rest room was created for patients travelling from long distances
- Beautified a park beside the hospital building; installed solar lights outside

Promoting social welfare

Animal welfare in Rasulpanna

- There was a challenge related to stray cows when their productive years were over
- These cows fed on crops
- Increased cowshed population enhanced the need for food storage space
- BCML established a godown to store 50 quintals of feed stock for 169 cows.

The inauguration of a temple at Rudrapur

- The 50-year-old temple was in a dilapidated state
- BCML assisted its renovation and restoration
- Decorated the temple floors with tiles and concretised the pathway.

PART 6

Segment analysis and business drivers

Our sugar business

Overview

The Company possesses the second largest sugar manufacturing capacity in India; aggregate crushing capacity was 77,500 tonnes of cane per day at the close of the year under review. The sugar business is the largest within the Company, generating value for downstream segments like ethanol and co-generation. The Company is respected for being among the most efficient sugar manufacturers in India. The Company operates ten manufacturing plants in Uttar Pradesh, proximate enough to generate economies of cane procurement, by-product utilisation and logistics.

Strengths

Scale
The Company is among the largest Uttar Pradesh sugar producers, generating attractive economies

Manufacturing units
The Company has eight manufacturing units in Eastern Uttar Pradesh and two in Central Uttar Pradesh, capitalizing on their respective terrain advantages.

Cane management
The Company has consistently achieved one of the highest recoveries in East and Central Uttar Pradesh through the distribution of superior seeds and inputs

Technology evangelist
The Company encourages mechanization across thousands of farmers, resulting in responsible agriculture

Energy reduction
Process efficiency helped the Company moderate energy consumption

Superior quality
The Company's stringent checks and balances helped deliver superior quality and higher realisations

Farmer-friendly
More than 97% of the Company's command area is covered with early maturing seeds, strengthening recovery

Operational highlights, FY 2021-22

- Crushed 88.54 Lakh tonnes of cane compared to 103.26 Lakh tonnes in 2020-21; the lower crushing was on account of depressed yield
- Achieved a pre-diversion sugar recovery of 11.55% compared to 11.77% in 2020-21; the lower recovery was on account of inclement weather and disease incidence
- Initiated cost optimisation across all plants
- Undertook cane development to enhance yields

Road ahead

The Company will emphasise cane development and farmer engagement, a building block of profitable growth

4,262.98	4,351.68	80.68	83.44
Revenues in 2021-22 (in ₹ crore)	Revenues in 2020-21 (in ₹ crore)	Proportion of sugar in overall revenues in 2021-22 (%)	Proportion of sugar in overall revenues in 2020-21 (%)

Operational summary

Cane crushed (Lakh tonnes)

Unit	March 2018	March 2019	March 2020	March 2021	March 2022
Balrampur	13.61	16.17	15.46	16.79	13.64
Babhnan	10.11	13.00	11.75	11.22	10.12
Tulsipur	7.04	9.22	8.11	8.19	5.42
Haidergarh	4.89	5.10	4.70	3.39	4.44
Akbarpur	8.65	11.36	10.24	10.10	8.78
Rauzagaon	8.16	9.12	9.02	8.07	7.46
Mankapur	9.20	11.43	10.17	11.71	9.88
Kumbhi	13.90	15.64	13.58	14.38	12.69
Gularia	13.35	15.06	14.30	15.12	12.72
Maizapur	3.87	4.26	4.70	4.29	3.39
Total	**92.78**	**110.36**	**102.03**	**103.26**	**88.54**

Sugar produced (Lakh tonnes)

Unit	March 2018	March 2019	March 2020	March 2021	March 2022
Balrampur	1.44	1.86	1.70	1.75	1.35
Babhnan	1.03	1.41	1.30	1.09	0.96
Tulsipur	0.73	0.99	0.91	0.89	0.61
Haidergarh	0.48	0.56	0.52	0.39	0.51
Akbarpur	0.91	1.29	1.22	1.08	0.89
Rauzagaon	0.90	1.09	1.08	0.96	0.86
Mankapur	0.95	1.30	1.09	1.35	1.16
Kumbhi	1.64	1.93	1.70	1.51	1.21
Gularia	1.56	1.84	1.57	1.51	1.21
Maizapur	0.42	0.51	0.58	0.44	0.34
Total	**10.06**	**12.78**	**11.67**	**10.98**	**9.10**

Our distillery business

Overview

The Company ventured into the distillery business in 1995, commissioning and expanding distilleries in four locations (Balrampur, Babhnan, Mankapur and Gularia) with an aggregate capacity of 560 KLPD. The Company is primarily engaged in the production of industrial alcohol and ethanol. It converts a large proportion of molasses into ethanol, enabling it to service OMC contracts in exchange for attractive realisations and margins.

The Company's Gularia distillery commenced operations in January 2020 with a production capacity of 160 KLPD ethanol through the B-Heavy and C-Heavy molasses routes.

Strengths

Flexibility
The Company manufactures ethanol from the C-Heavy and B-Heavy routes, enhancing its flexibility to participate in government tenders.

Scale
The Company's large capacity of 560 KLPD was backed by a captive availability of molasses and economies of scale.

Conscious
The Company minimised the impact of distillery operations on the environment through the installation of incinerator boilers, zero liquid discharge and increased distillery operating days

Ethanol
The Company manufactured ethanol that was purchased by the country's oil marketing companies.

Operational highlights, FY 2021-22

- Generated ₹1001.41 crore in revenues compared to ₹841.52 crore in 2020-21
- Supplied 15.69 crore bulk litres of ethanol compared to 14.53 crore bulk litres in 2020-21
- Generated average blended realisations of ₹53.38 per bulk litre compared to ₹48.35 per bulk litre in 2020-21
- Operated distilleries for a lower number of days compared to 2020-21 owing to a lower molasses availability

Road ahead

The Company plans to improve efficiencies through investments and higher capacity utilisation. The capacity expansion from 560 KLPD to 1050 KLPD is expected to be commissioned by the start of Ethanol Year 2022-23.

1001.41
Distillery revenues in 2021-22 (in ₹ crore)

841.52
Distillery revenues in 2020-21(in ₹ crore)

18.95
Proportion of distillery revenues in the overall turnover, 2021-22 (in %)

16.13
Proportion of distillery revenues in the overall turnover, 2020-21 (in %)

Operational summary

(in crore bulk litres)

Alcohol	March 2018	March 2019	March 2020	March 2021	March 2022
Alcohol production (including Ethanol, ENA etc.)	8.10	10.66	12.76	17.06	16.31
Alcohol sales	8.07	11.10	11.93	16.52	17.65

Our co-generation business

Overview

The Company ventured into power co-generation in 2003, and over the years, commissioned a cumulative saleable co-generation capacity of 175.7 megawatts. Of this, the Company consumed ~52% (FY 2021-22) and 'exported' the rest to the state electricity grid.

Strengths

Scale

The Company's saleable cogeneration capacity was 175.7 MW after considering captive needs, one of the largest by a sugar company in Uttar Pradesh.

Experience

The Company enjoyed an experience of nearly 20 years in this business.

Operational highlights, FY 2021-22

- Generated 72.72 crore units of power compared to 80.65 crore units in 2020-21
- Exported 34.93 crore units to the state electricity grid compared to 42.63 crore units in 2020-21
- Average realisations were ₹3.30 per unit compared to ₹3.17 per unit in 2020-21

Road ahead

- The Company will operate the power plants during sugar operations to address in-house requirements and sell surplus bagasse in the open market.
- The co-generation segment of the Company was merged with the sugar and distillery business during the year under review.

Operational summary

(in crore units)

Power	March 2018	March 2019	March 2020	March 2021	March 2022
Power generation	87.41	104.97	90.24	80.65	72.72
Power sales	56.80	66.38	52.61	42.63	34.93

How a culture of responsive cane management is being deepened to build a larger resource platform

Overview

There is a saying within the sugar industry that sugar is 'made' in the fields, emphasising the importance of competent cane management. At Balrampur, we believe that effective cane management is the biggest driver of throughput, profitability and sustainability because it is the one aspect of our operations that is outside the factory; this is one aspect of our operations addressed by non-employees; this is one aspect of our operations influenced by various social and cultural realities. Because these realities are outside the direct footprint of the Company, there can be a mismatch between the Company's cane output projections and reality, affecting profitability.

In view of this, the biggest challenge facing a responsible sugar manufacturer like Balrampur is to precisely map its command areas, engage actively with farmers to ascertain their cane growing plan, invest in technology to monitor resource supply efficiency and access superior cane varieties that translate into enhanced yields and recovery. In view of this, cane management is not incidental to the Company's existence but integral to it. The better the Company's cane management, the superior the Company's throughput, profitability and sustainability.

Challenges and counter-initiatives, 2021-22

The year under review was marked by a number of challenges that affected the Company's cane management effectiveness.

The onset of the second pandemic wave enhanced panic among our staff and cane growers, which affected their mutual engagement, inter cultural farm practices, insect pest control and field management for two months. The Company mobilised its available people resources, enhanced safety, extended help and drove its vaccination agenda across operating units.

Realities, 2021-22

The Company purchases cane from approximately 5 Lakh growers, individuals with small or big farm holdings in the catchment areas allotted by the government. It is our conviction that the scale of raw material throughput is directly proportionate to the farmer's satisfaction related to the Company's guidance, engagement and remuneration speed.

Cane price in Uttar Pradesh is influenced by its State government (Statutory Advised Price). The SAP for the ongoing sugar season was increased ₹25 per quintal to ₹350 per quintal for the early cane variety in addition to which the Company paid for cane transport, development activities and cane commission.

The Company strengthened its logistics and labour management; cane cost per sugar bag declined across five years following the Company's success in converting general and rejected cane varieties to high sugared early maturing cane varieties. As a discipline, the Company procured cane with low extraneous matter (green binding, shoots, roots, mud, etc.), coupled with timely remuneration and uninterrupted crushing operations leading to enhanced recovery and lower costs. The Company established limits related to cane inventorisation, maximizing recovery. A coordination of transporter movements and labour availability at cane centres coupled with the enhanced use of small vehicle modes reduced logistics tenure. The presence of our team at harvesting points across command areas helped explain best practices to reduce cut-to-crush time and moderate extraneous matter.

Performance highlights, 2021-22

The Company recognised a shift in climatic patterns that affected the quantity and quality of cane output during the year under review.

Increased area: The Company focused on increasing cane area through an active engagement with farmers, educating them about the advantages of cane farming (realisations, low receivables cycle, large growth headroom and prospect of immediate sale). The Company intensified cane planting within its command areas, which should translate into enhanced output under normalised weather conditions.

Varietal balancing: The Company broad-based its cane mix across a handful of varieties, mitigating its dependence on a single variety with the objective to enhance de-risking from the possibility of losing a large part of the crop in the event of a focused disease outbreak or pest attack.

Ratoon management device: The Company introduced a ratoon management implement capable of simultaneously addressing four ratoon activities (stubble shaving, fertiliser application, off-barring and breaking old ridges) with an attractive subsidy option for buyers and with the objective of enhancing yield.

Mechanisation: The Company continued evangelizing the use of mechanization through the active propagation of handheld power tillers, small tippler trolleys and spray machines. The result is that farmers were able to moderate their farm labour costs on the one hand and enhance farm productivity on the other.

Balram app: The Company made a digital leap when it launched a pioneering app for cane growers. This app has begun to serve the role of a one-stop point for everything related to sugarcane cultivation, cane management, cane harvest and cane supply.

Disease management: The Company addressed a significant challenge in being able to retard and arrest the growth of red rot disease that affected the Company's command areas during sugar season 2020-21. The Company responded with proactive talent deployment, farm vigilance, responsive cane eradication (in the event of disease being noticed), timely administering of bio and chemical fungicides and even varietal replacement in select conditions.

Pressmud: The Company addressed the long-term challenge of organic carbon depletion in the soil by providing nutrient-rich pressmud (derived as a byproduct in sugar manufacture) to growers.

Even as the cane crushed from the Company's command areas declined from 103.26 Lakh tonnes to 88.54 Lakh tonnes, the cumulative impact of the various counter-initiatives arrested the decline and enhanced stability, reflecting in cane output recovery, though modest, during the current sugar season.

Our strengths

Outperformance: The index of the Company's superior performance is derived from its effectiveness in Eastern Uttar Pradesh, a region that is considered relatively slow in its embrace of progressive farm practices. Through a combination of persistence, persuasion and support, the cane team helped protect cane yields across most farm tracts.

Proximity: The proximity of the Company's sugar factories (no mill is more than ~200 kms from the other and some mills are as proximate as ~75 km) enhanced collective farmer confidence on the one hand and best practice benchmarking across factory units on the other, enhancing the overall average. Besides, the Company's people resources multi-tasked across plants for specific trouble-shooting points and protecting overall efficiency. The proximity and ongoing interaction also fostered a competitive environment leading to organisational benefit.

Resources: The Company provided adequate cane development budgets, emphasizing its importance within the system. This budget comprised the purchase or funding of agri implements and related inputs, strengthening farm efficiency.

Discipline: The Company created a planting / harvesting calendar coupled with SOPs to enhance clarity across stakeholders (farmers, transporters and the Company's executives), strengthening logistical efficiency.

Outlook

The Company is investing deeper in technology and mobile-based applications to enhance seamless connectivity with resource providers. The Company outlined various initiatives: increased spring and autumn planting, timely urea application to the ratoon crop coupled with the use of the ratoon management device, higher conversion from the first and second ratoon, the use of propping leading to enhanced yields and a structured insect / pest disease control plan.

The Company intends to continue the remuneration of farmers with speed leading to healthy cash flows that enhance cane planting. The Company intends to financially support mechanization that enhances farm yield and profitability. The Company intends to deepen its culture of timely education, support and access to strengthen insect/ pest/disease control measures.

The Company intends to support growers with a crop matrix plan that acts like a portfolio planner whereby prudent allocations of farm parcels and crop rotation is made to enhance output and profitability, graduating the Company from just a buyer to an informed consultant.

A conversation with **Avantika Saraogi,**
Business Lead - New Initiatives

"Our comprehensive de-risking framework will make it possible to get away with a limited decline in cane output during challenging years and maximise output during favourable years"

Q: Were you disappointed with the cane generated from your command areas during the sugar season 2021-22?

We were disappointed with the outcome – not performance - during the year under review. There is one part of our business that is largely under our control, from the time we engage with farmers to manage cane output through factors that can be manually addressed, to the point when we deliver our end products (ethanol or sugar) to our customers. During the last few years, we have done well to enhance efficiencies across this part of our operations; the one part that is largely outside our control is the weather influence on the cane crop, where the outcomes were not favourable.

Q: Can you elaborate?

In the 2019-20 sugar season, our Company crushed 10.54 crore quintals of cane and it would have been reasonable for us to believe that a similar quantity would have been available to us in the following seasons (give or take a few percentage points). Our optimism was based on our extensive cane development activity and the willingness of farmers to raise more cane, incentivised by our payments track record on the one hand and the superior remuneration from cane over competing cash crops. During the 2020-21 and 2021-22 sugar seasons, we crushed around 8.75 crore and 8.88 crore quintals respectively, which came as a shock to us.

Q: What were the reasons for this sharp decline in crushing?

Two realities materialised that could not have been foreseen. One, we encountered the impact of an extended monsoon: across our command areas, it rained from end May 2021 to mid-October 2021, the kind of which we have not seen in 30 years. There was a run-off in water from Nepal on account of dam discharges, which affected our East Uttar Pradesh command areas; around 40,000 hectares were under water across our Balrampur and Tulsipur unit command areas in August-September 2021. In Central Uttar Pradesh, our Gularia command area was also challenged with water entering from under railway tracks and hundreds of trucks of cement being dumped to prevent a complete disaster. The River Sharda rose to record levels in 50 years. The result was that we did not have adequate cane to feed our crushing capacities.

Q: Were there other challenges that the Company encountered?

The period under review was marked by the outbreak of the red rot disease across our command areas (less than the previous year). This, combined with excessive rains, moderated cane availability and capacity utilization from 90% in the 2020-21 sugar season to 76% in the 2021-22 sugar season, based on 150 days of operations. My estimate is that on account of the climatic aberration and red rot disease, the Company would have lost more than 100 Lakh quintals of cane, which, when taken at the recovery the Company enjoyed during the year, translated into a sugar loss of 11.55 Lakh quintals and an ethanol loss of around 1.2 crore liters.

Q: How will the Company ensure that this does not recur?

In the past there was a predictability that the cane output would rise or decline based on reasons of sectorial cyclicality. We are now seeing a new fact emerge: climate change. One would like to hope that the aberration was one-off and that the cane output will rebound from the 2022-23 sugar seasons onwards.

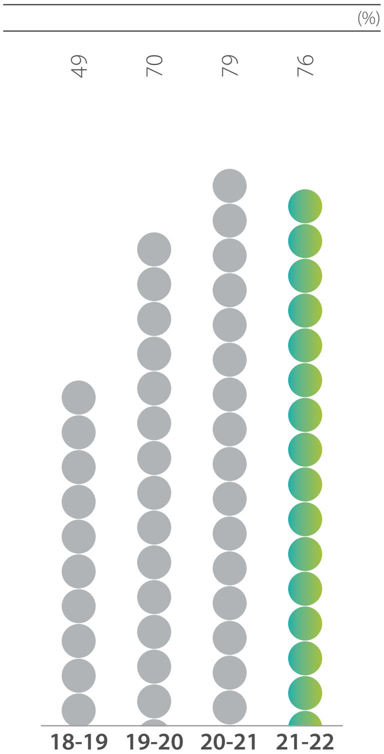
Q: How does the Company intend to be prepared?

The Company had drawn out a comprehensive cane development programme involving nearly 750 field workers, who will not only monitor cane growing activity at the field level but will engage with farmers using smartphone-driven technology; they will not only engage once but on a periodic basis so that any deviation from the established mean can be arrested with speed. Besides, the Company is investing more aggressively in the area of cane development and increased cane planting, giving it the priority it deserves. We believe that the combination of aggressive and defensive initiatives will help create a comprehensive de-risking framework that makes it possible to get away with a limited decline in cane output during challenging years and maximise output during the favourable years.

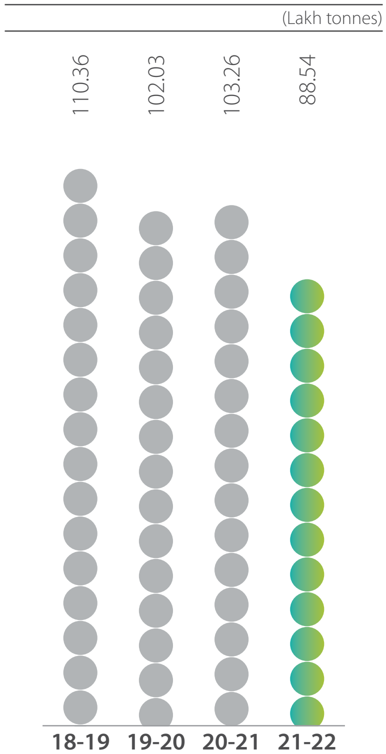
Our de-risking framework

Risk	De-risking
The Company's existing cane variety may show yield fatigue and disease vulnerability	The Company has resolved to broad-base its cane varietal mix from an excessive dependence on the CO 0238 variety, ensuring that in the space of 3-4 years, no cane variety in its command area accounts for more than a quarter of its standing cane mix. Besides, the Company intends to incentivise the use of mechanization that makes it possible to enhance farm productivity.
The Company's command areas may be affected by climate change and pest action	The Company is studying the action of pests on crops, developing an understanding on pest action, movement, intensity, frequency and extent that can then be shared across its manufacturing units. The Company also intends to propagate the use of seeds from its tissue culture laboratories that could translate into the aggressive planting of new and disease-free cane across varieties. The Company will deepen its engagement with cane research institutes to enhance its understanding of new cane varieties. The Company is also promoting varieties based on the type of land (upland/lowland) and also focussing on better earthing up and propping practices, which can reduce yield loss due to unfavourable weather conditions.
The Company's command areas may be completely saturated by cane growth	The Company believes there is headroom for additional cane growth through intensive cane planting, which should generate additional cane from the existing command areas
The farmers within the command areas may shift to alternative crops	The Company will continue to pay for cane before the payment is statutorily due to farmers, enhancing the incentive for them to grow more cane. Besides, cane growing is considerably more remunerative than competing cash crops. In addition, sugarcane is considered as a sturdy crop that can withstand natural vagaries, prompting farmers to grow sugarcane over alternative crops.
The farms within the Company's command areas may report a fertility decline	The Company is propagating a crop matrix plan that seeks to advise farmers on the rotation of crop planting across different pockets of their farms, increasing yields and fertility. Besides, the Company has selected to provide farmers with subsidised pressmud, enhancing organic carbon in soil. The Company also propagates trash mulching so that farmers do not burn their fields and left-over leaves are decomposed into land, enhancing organic carbon.

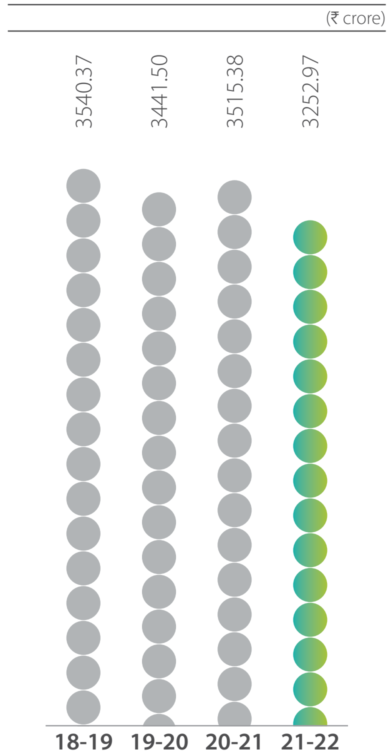
The critical role of cane at our Company



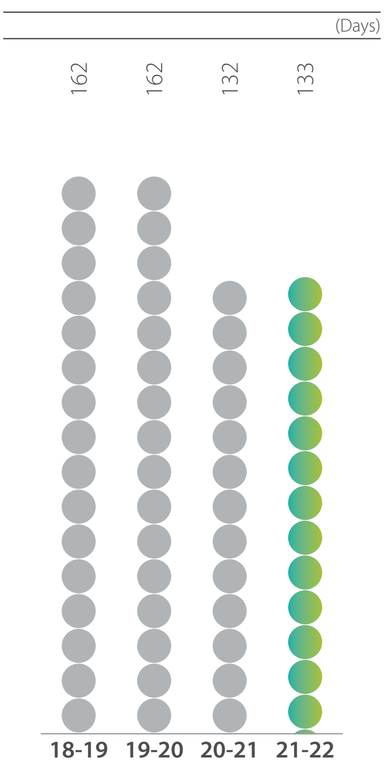
CO 0238 variety as a % of all cane purchased



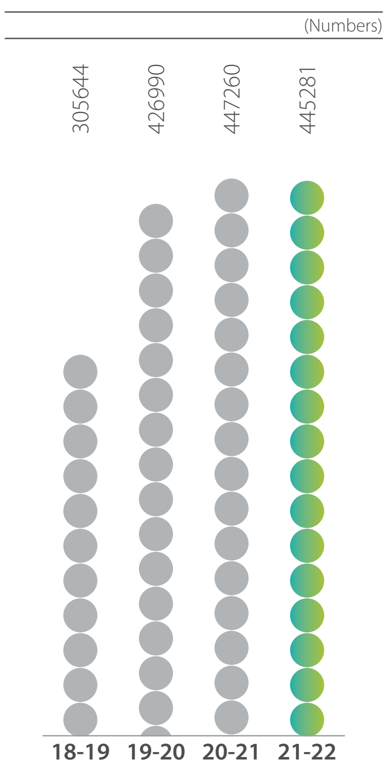
Cane crushed



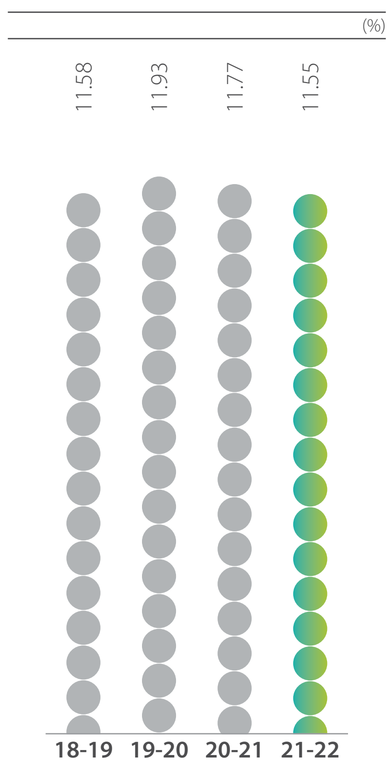
Total cane purchase



Number of days of crushing by the Company



Number of farmers from where cane was purchased



Recovery (pre-diversion)

At Balrampur, we have not only procured cane; we have grown entrepreneurs as well

What farmers have to say about their experience of working with our Company

"Balrampur provided technological knowhow and required assistance which helped in improving farm efficiency. During cane planting, Balrampur employees visit our fields and supervise planting. The result: productivity has doubled and income increased seven-fold. The additional surplus has been reinvested in family education. We believe that our next generation will now be able to do more and bigger things."

Kesari Singh
Babhnan unit

"Balrampur transformed my destiny. Earlier, farming was dependent on labourers; Balrampur empowered us by providing technical knowhow and subsidised pesticides, enhancing output and moderating costs. My productivity increased from 100 quintals per acre to 600 quintals per acre over 15 years; my annual income doubled. Now I educate my children in good schools."

Aditya Tiwari
Gularia unit

"Balrampur's new Balram app has emerged as a helpful tool. We upload pictures of our cane area to the app. The weather option of the app provides insights that facilitate timely decisions."

Aditya Tiwari
Gularia unit

"I was a rice, wheat and spice grower but started cane farming in 2018 following the suggestion of a Balrampur employee. Here comes the surprise: Balrampur provided me with required assistance and technical knowhow. The outcome: an additional income of ₹16,000 per bigha. This additional income helped purchase a tractor that moderated my labour costs and increased my profit. Some farmers came to study my 'trench vidhi' farming practice. From a nobody within the cane segment, I am now somebody."

Mohammed Saleem
Balrampur unit

"Balrampur helped us fight red rot disease through seed purification and related initiatives. Balrampur field team members inspected various cane fields and advised remedies that helped protect our cane crop. The Company provided pesticides and new seeds that broadbased our cane varietal coverage. We no longer need to queue for subsidies in the agriculture department office; Balrampur employees come home, provide material and complete the documentation."

Surya Prakash Shukla, Maizapur unit

"Balrampur provided farmers like us with required assistance and technical knowhow. When we were not associated with Balrampur, we encountered challenges related to cane sales and payment delays. After engaging with Balrampur, we get payment within 14 days of cane delivery, we have enhanced our productivity and began the graduation from labour-intensive agricultural methods to equipment-driven methods. The result: Balrampur helped increase my annual income by 40%."

Surya Prakash Shukla
Maizapur unit

"I have been associated with Balrampur for three decades. The Company's Mankapur expansion helped me repay a loan. Previously, I had an 855 tractor which proved inadequate. In 2012, I bought another 855 tractor subsidised by Balrampur. The outcome: more work is addressed in less time and at a lower cost."

Mohammed Zubair
Mankapur unit

"When I started trench farming as advised by Balrampur, I was mocked by farmers. I went ahead secure in the knowledge that Balrampur's advice could be trusted. In my first trench farming year, I raised around 100 quintals of cane per acre compared with just 30 quintals of cane per acre three decades ago. I won a ratoon competition organised by Balrampur and by delivering 150 quintals per acre. The result is that Balrampur is not my customer; it is now my extended family!"

Lumberdar Tiwari
Mankapur unit

How Balrampur's investments in people management drove business growth in FY 2021-22

Overview

Balrampur Chini Mills Limited recognises human capital as one of its most critical factors for sustainable competitive advantage. With the future clearly focused on product diversification and more process automation, talent acquisition, management and development is likely to partner business and strategy to yield productive results.

The Human Resources processes at BCML endeavor to sustain teamwork, skill and competence development with the objective to make BCML a Great Place to Work (as per the official recognition of the same name). As a validation, 61.84% of the Company's employee strength was associated with the Company for more than 10 years.

Our HR policy

The HR policies at BCML are aligned with the business goal and embrace people-centric processes. Vehicle Policy, Furniture Policy, Mediclaim Policies, Mobile (handset/ monthly mobile bill) Reimbursement Policy, Accident Insurance Policy and Workmen Compensation Policy are some key employee benefit policies at BCML.

Our HR practices

Talent acquisition: Comprises responsible screening, multi-layer selection, background checks and cultural compatibility checks

Performance management: Includes competence and behaviour-driven performance management system; key result areas linked to business targets; fair and unbiased appraisal.

Training and talent development: The training and talent development function encompasses a structured training need identification process, budgeting, training delivery by internal and external experts, internal knowledge sharing programs as well as a learning indicator based structured training effectiveness analysis process. With the long-term objective of creating an internal leadership pipeline and talent pool, the talent development function includes a graduate engineer trainee/ graduate trainee policy as well as HiPOT (High Potential) development process.

Our HR strengths

Leadership: The Company is respected as a stable, responsible and respected employer, the preferred employment choice in India's sugar sector

Responsible: The Company invested in safe and responsible work practices that enhanced operational safety in and around its manufacturing premises

Automation: The Company invested in automation and digitalization with the objective to enhance process predictability and productivity

Enhanced employee lifestyle and comfort: The Company invested ₹120 crore for the development of housing infrastructure and colony for employees.

Balance: Total employees were 6350 as on 31 March, 2022 with an average age of 45 years; retention was over 95.39% in 2021-22.

Occupational health & safety: The Company developed an integrated health & safety procedure; developed protocols/ SOPs to reinforce the Safety Management System; provided 1500 person-days of training on occupational health & safety; introduced flexi-work model during the pandemic and conducted periodic testing, isolation support and vaccination

Big numbers

6350	45	95.39
Employees as on 31 March, 2022	Average employee age (years) as on 31 March, 2022	% of employees retained as of FY 2021-22

Our culture of 'Stretch'

Employees relate their first-hand experience of working at Balrampur Chini Mills

"We once promoted a head of department (HOD) to a unit head position. In that unit, there was a project that had been conceived but not implemented. Lot of support and handholding was provided to the incumbent so that he could deliver. In another incident, a relatively junior employee delivered results better than expected. He was made in-charge of that assignment. We got things done with minimum resources."

Rohit Bothra
President, Taxation and strategy

"In 2015, when the industry was suffering from losses, we commissioned advanced incinerator boilers. The Company invested ₹200 crore with no visible return on investment at that point in time. When this became a mandate across the sector, we were the first to reap the benefit as the incinerator boiler helped us utilse the distillery capacity also during the monsoons."

Pramod Patwari
Chief Financial Officer

"Around 10 years ago, sugar recoveries declined sharply in our Gularia unit. The management undertook steps to understand problems and implemented good farming practices. The result: within two years, the Gularia unit had rebounded to among India's leading sugar units in terms of recoveries."

Pramod Patwari
Chief Financial Officer

"At BCML, we prioritise execution; the whole team is passionate about timely and effective project implementation. The Company follows a hands-on approach, marked by seamless information flow. Last year, BCML embarked on an ambitious 2.0 journey where all equipment obsolescence would be replaced for ₹500 crore, a plan prepared after detailed deliberations of three months; the internal corporate team fine-tuned it for another month; the senior management cleared this in less than a week. This is how we work: patience and prudence in approach, agility in responsiveness!"

Vinay Khanna, Head-Operations

"There is always a gap between the unit and leadership teams in most companies. This is where Balrampur is different; the cohesiveness between the unit team and leadership team makes Balrampur an outperformer. In 2016, we expanded Babhnan unit distillery from 60 kilolitre to 100 kilolitre per day utilising available technologies that were at a nascent level, encountering hurdles. Rather than respond with 'Lage rahiye', the management responded with capital infusion as opposed to blaming unit members for incompetence."

M. K Gaur
Additional General Manager, Distillery

"One of the reasons behind the success of Balrampur is teamwork. Some months ago, there was torrential rain in Uttar Pradesh, marked by water logging and project bottlenecks. The Unit Head reached out to the corporate team for help. Timelines were tight on project implementation; a task force was established. The corporate team in Lucknow reached out to the UP administration for timely water evacuation. The corporate technical team engaged with the vendor for accelerated plant delivery and erection. The HR team was galvanised to accelerate recruitments. A crisis got the best out of us and the plant was commissioned on schedule."

P. Sandeep
Senior General Manager, Human Resources

"Even though Balrampur does not have the largest crushing capacity in the sugar sector, it is the most profitable company. The Company is the largest in terms of payout to shareholders. I don't think any other company in the agricultural space has done five share buybacks in five years."

Pramod Patwari
Chief Financial Officer

"I joined the Company as General Manager, Taxation. The management observed my interest in HR and empowered me to strength the HR department. We now have a full-fledged HR team and it all happened because the management empowered one individual to begin with. The management provides a free hand to employees to explore, decide and deliver (with checks and balances)."

Rohit Bothra
President, Taxation and strategy

"The Balrampur management is a caring one. If there is a problem in the family and someone needs to be hospitalised or any monetary support is required, the employee's problems become the management's problem. When a few members went through surgeries, the management helped immediately. This is the confidence with which one works here: the Company will always be there to support during adversity."

Manish Purohit
Vice President, Cane Operations

Business driver : Digitalization

How digitalisation has modernised Balrampur

Overview

The Company implemented SAP ERP to replace an indigenously developed accounting software in 2014

The replacement created a common platform, strengthening systematic uniformity

Transformation

- Migration from desktop applications to mobile applications in cane function.
- Migration from On Premise SAP ECC to SAP S/4 HANA
- Deployment of DR Services

Strengths

- Proprietary skill across technologies like Android and SAP, among others
- Core strength in the ability to implement technology advancements cost-effectively

Highlights, FY 2021-22

- The Company invested around ₹5 crore in digitalization
- Improved network security through a two-factor authentication process
- Migrated from MS Office to MS 365
- Upgraded ILL B/Ws to improve internet speed and service quality.
- Deployed mobile applications that facilitated real-time data capture
- Implemented VPN facility that ensured a safe, encrypted online connection for employees working from home

Outlook, FY 2022-23

Proposed extension of the Balram app to one million farmers

How BCML Connect is enhancing perspectives

Overview: Previously, data collection and analysis were manual, marked by time investment and errors.

Response: The Company implemented BCML Connect, a central analytical portal for reports and dashboards with drill-down from Group level analysis to CFA and village level understanding

Benefits: BCML Connect draws data across cane planting, survey and supply, facilitating analysis of crop types, variety and annual trends.

Data on finger tips

Overview: There was a premium in accessing data with speed and granularity.

Response: The Company developed mobile applications that facilitated real-time data capture of cane indent & planting, survey, weighment at centres and cane development.

Benefits: There is a deeper science in the Company's estimation of prospective cane growing that influences decisions related to capacity creation

PART 7

Our ESG commitment

Balrampur and its ESG commitment

Overview

Balrampur focuses on producing more from less, while minimising environmental impact. Balrampur manufactures sugar, ethanol, power (co-generation) and agri-inputs. These products are inter-linked; the by-product or waste of one constitutes raw material for the other.

The Company's low-carbon approach enhanced resource and energy efficiency. The Company's captive consumption as a percentage of the total power generated increased, reducing dependence on energy derived from fossil fuels. The Company invested in modern technologies, practices, methodologies and standards.

The Company retained its position as one of the 'greenest' companies in India's sugar sector.

The subject of ESG is increasingly relevant to the Company's business for various reasons.

One, the nature of our energy products: Ethanol helps moderate air pollution while co-generation presents a cleaner alternative over fossil-fuel-derived energy.

Two, we are engaged in a social business, marked by engagements with around 5 Lakh farmers; as a result, our influence goes right down to the grassroots and supports income growth.

Three, a sustainable business can be only built through a stable and robust governance strategy.

A responsible environment-social-governance (ESG) ethic lies at the core of our business. We manufacture food and energy products; we mostly eliminate effluents and emissions that could have contributed to the air and water pollution near our plants.

The Company is a partner in the Government's pledge in COP26 for climate change, deepening its efforts in the area of emissions reduction.

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

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

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

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

Our environment commitment

Balrampur's operations are woven around the 4R's (Recycling, Replacement, Reduction and Renewables). Over the years, the Company has strengthened its environment commitment through the following initiatives:

Co-generation: Our co-generation power plants generate power from the use of bagasse, a waste generated from the manufacture of sugar. The generation of 72.72 crore units in 2021-22 substituted the use of fossil fuel, reducing greenhouse gas (GHG) emissions.

Recycling: The Company utilised bagasse to generate power (used captively and 'exported' to the state electricity grid). It reused treated wastewater, resulting in zero discharge from factories. Most solid wastes were recycled as well.

Eco-friendliness: The Company actively manages bio-diversity and eco-system services. For example, it cleaned ponds near its manufacturing units and planted saplings to develop green belts; it provided organic fertilisers to villagers near its facilities; it recharged the ground water table near its manufacturing facilities. The quantum of water saved or injected through these initiatives was equivalent to the Company's water consumption.

Equipment investment: The Company invested periodically in new equipment across factories to minimise emissions and embarked on a journey to replace all equipment, moderating obsolescence.

Value-creation

Environment management is an index by which companies are appraised for their value-creation capability. Companies competent in their environment management are perceived better by investors, enhancing market valuation.

At Balrampur, our competent environment management has been enshrined in a complete compliance with environment-related NOCs, consents, permissions, licenses and authorisations.

We are committed to reduce energy quantity, greenhouse gas emissions intensity and graduate from legacy to clean processes.

We have articulated our direction, periodic milestones to be achieved, controls, environment management systems, due diligence and disaster planning cum response systems. More specifically, we are committed to eliminate the transfer of any waste to landfills or effluents discharge while moderating water consumption intensity.

We invested in a knowledge-driven environment, employing subject matter experts. Our business is driven by processes, systems and information technology.

We are driven by a spirit of continuous improvement, examination of processes and materials with the objective to seek cleaner alternatives.

We mobilise resources procured proximately, moderating transportation cost and carbon footprint.

The risks in Sugar industry

Solids: Boiler ash and sludge from the sugar effluent treatment plant as well as effluents generated from the distillery process, condensate polishing unit and hazardous waste like cotton waste, oil and grease

Liquids: Plant effluents, process condensate, surplus from the sugar plant spray pond, cooling tower, reverse osmosis rejects (sugar); distillery spent wash, MEE condensate, reverse osmosis rejects and blow down water (distillery)

Air: Suspended particulate matter in the stack as well as suspended particulate matter, nitrogen oxide in flue gas and sulphur oxide in the flue gas (distillery slop fired boilers)

Noise: High decibel sound in the TG boiler, fibrizer and mill areas.

Our de-risking measures

Solids

- Bagasse-based fly ash is utilised by farmers; the material is also land-filled securely in low land areas
- The boiler ash from the spent wash incineration boilers (potash-rich) is used for the production of potash fertiliser through granulation units
- Sludge from the sugar effluent treatment plant, distillery process and condensate polishing unit is utilised as farm manure
- Cotton waste, oil and grease (hazardous) are incinerated in boilers

Liquids

- Sugar effluents are treated, recycled and used in irrigation
- Distillery effluent spent wash concentrate is used in MEE and incinerated with supporting fuel (bagasse)
- Colourless low polluted condensate is treated in condensate polishing units; the recycled water is used in the process; makeup water is used in the cooling tower and distillery for molasses dilution.

Air

- Air pollution control devices were installed in the bagasse-fired / slop-fired boilers to moderate dust particles generated from dry fly ash
- Wet scrubbers were installed in seven boilers in the sugar units having such bagasse-fired boilers
- Electrostatic precipitators were installed in four bagasse-fired boilers and three slop-bagasse fired incineration boilers
- Two incineration boilers comprised bag filters to control fly ash particles in the flue gases

Noise

- Personal protection equipment was provided for working in high noise areas
- A pre-biotic medical check was conducted to monitor worker health.
- An acoustic enclosure was created
- A silencer was attached with noise-creating equipment

Greening

- More than 1.5 Lakh trees were planted through the year to reduce CO2 emissions
- A mass plantation initiative was conducted on World Environment Day / Independence Day

Our de-risking commitment

- We replaced fossil fuels with waste-products like bagasse and spent wash to produce green power (earning Renewable Energy certificates that are purchased by entities that generate greenhouse gases).
- We invested in environment-friendly equipment, helping convert press mud (waste) into potash, a rich fertiliser marketed through IFFCO.
- We installed a biological treatment base sugar vapour CPU unit in Kumbhi, achieving its target of zero ground water extraction.
- We benchmarked operations with the best Indian company in the sector.
- We drew cane into our units from within a 5-150 km command area; our logistics cost accounts for ~2.5% of our revenues.
- We moderated the consumption of lime, sulphur, water, chemicals and electricity.
- As part of our de-risking commitment, we got our Rauzagaon Unit Bonsucro certified. Bonsucro Certification which is internationally recognised and respected, offers a credible, metric certification process to demonstrate commitment to environment and social sustainability in sugar cane sourcing and sugar manufacturing process.

Water recycling

Reuse of treated water

Improved recovery of steam condensate

Replacement of fresh / cold water in the sugar process house

Replacement of fresh water with cooled excess condensate for equipment cleaning, floor washing and other purposes

How we moderated resource consumption

Reduced DM/RO water for plant operations

Use of energy-efficient motors in place of conventional motors

Use of variable frequency drives

Investment in steam and power-saving projects in some units

Treated effluents used for irrigation

Treated water is recycled through RO plants to substitute freshwater requirement

Changes implemented for Bonsucro Certification

Water balance concept followed in the water treatment plant

Increased efficiency and decreased energy & water use and waste

Educated and encouraged farmers to adopt water conservation methods (drip irrigation)

Responsible sourcing and increase supply chain visibility

Rauzagaon unit achieved compliance with these parameters along with other Bonsucro indicators like ethical training and assurance of compliance

Investments, FY 2021-22

To strengthen long-term sustainability, the Company makes proactive and significant investments in multiple areas to moderate carbon footprint, water use and other factors. The Company committed ₹363 crore for the modernization of its sugar infrastructure and the commissioning of two refineries.

Big figures

950.00

₹ Lakh, capital investment in water management equipment in FY 2021-22

528.84

₹ Lakh, capital investment in energy conservation equipment, FY 2021-22

Our water management

The management and moderation of water is becoming increasingly critical not just within the sugar industry but for industries anywhere. The Company invested in equipment and technology to moderate water consumption. To target zero ground water extraction for industrial uses in sugar and power, we have installed biological treatment base sugar vapour Condensate Polishing Unit (CPU) at the Kumbhi and Babhnan units on a pilot basis; we successfully achieved zero ground water extraction for both units.

It had proactively invested in incinerator boilers in distilleries and made them zero liquid discharge plants. The sugar manufacturing plants are equipped with lagoons for treated water storage.

Groundwater drawal

Year	FY 2019-20	FY 2020-21	FY 2021-22
Litres per MT of cane	218	178	114

Water recycled

Year	FY 2019-20	FY 2020-21	FY 2021-22
Cubic metres	567813	488298	473437

Our energy management

The sugar manufacturing utilises energy across various functions. The 'green' energy produced by the Company is utilised within and the excess is sold to the grid. The Company's objective is to moderate energy consumption through investments in energy-efficient equipment. The Company announced a capex and replaced old turbines with efficient alternatives.

The Company invested additionally in automation to increase efficiencies, moderate resource consumption and reduce emissions cum effluents. The impact of these measures is expected to reduce fuel and power consumption, strengthening cost management.

Specific steam consumption (in MT)

Year	FY 2019-20	FY 2020-21	FY 2021-22
Per MT of cane	0.44	0.43	0.42

Our effluents and emissions management

The Company's target is to reduce wastage and enhance operational efficiency. The dry ice plant was set up to capture CO2, which was being released during ethanol production and is being marketed to beverage companies, among others.

The Company invested in equipment for sustainable production and waste recycling. Following such investments, the Company converted ash from the incineration of concentrated spent wash (waste) into water soluble potash-rich granules, a fertiliser import substitute for Muriate of Potash. BCML tied up with IFFCO for marketing bio-potash granules.

Fresh ground water used in the sugar process house was replaced with treated water (except for laboratory and drinking). Our non-hazardous waste decreased from 3.42 KG / MT in 2017-18 to 3.08 KG/MT 2021-22, i.e., by 10% in the last five years.

Similarly, water effluents emission reduced by 24% during the last five years.

For arresting air pollution, the Company installed control devices like wet scrubbers, electro static precipitators and bag filters in the bagasse-fired / slop-fired boilers.

	UOM	CPCB norms	All sugar units		
			Season 2019-20	Season 2020-21	Season 2021-22
Cane crushed	MT	-	10537157	8751707	8883136
Total effluents	Ltrs/MT	200	196.16	186.98	177.45
COD of discharge water	ppm	250	140.46	133.78	127.77
BOD of discharge water	ppm	100 for irrigation and 30 for surface water	21.5	18.44	19.22
TSS of discharge water	ppm	100 for irrigation and 30 for surface water	22.3	20.04	19.27
Liquid discharge from distillery	Zero	Zero	Zero	Zero	Zero
The particulate matter emission from boiler	Mg/ Nm3	150	80.7	76.64	68.51
Ambient air quality (Industrial and mixed)	Mg/ Nm3	83.6	14-16	18-22	18-22

Green cover

The Company developed green belts through extensive plantations. The Company planted around 2,50,000 trees in three years and intends to plant 10,00,000 trees in the next five years. Tree plantation helps in green house reduction to a great extent as a matured tree, on a conservative basis, can reduce 10 kgs (22 lbs) of carbon dioxide (CO2) per year.

Year	FY 2019-20	FY 2020-21	FY 2021-22
Trees planted by the Company	45700	50298	150137

Year	FY 2019-20	FY 2020-21	FY 2021-22
Total afforested area (hectares)	15.93	63.55	108.05

Certifications awarded

Bonsucro Certification: Balrampur Chini Mills has demonstrated the operation of a management system that is compliant with the requirements of Bonsucro Smallholder standards

- Production Standard for Smallholder Farmers;
- Bonsucro Production Standard
- Bonsucro Mass Balance Chain of Custody

The Rauzagaon unit achieved a compliance certificate for the said parameters with other Bonsucro indicators.

Environment

Goal 6: Bonsucro practice Ensures availability and sustainable management of water and sanitation for all;

Goal 11: Sustainable use of terrestrial ecosystems by reducing GHG emissions;

Goal 13: Take urgent action to combat climate change and its Impacts.

Social

Goal 5: Bonsucro standards help achieving gender equality and empower women & girls;

Goal 8: Bonsucro helps promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;

Maintain strong attention in relation to Grievance and redressal process.

Economic/Governance

Goal 8: Bonsucro promotes sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;

Goal 12: Bonsucro promotes sustainable consumption & production patterns.

Big numbers

55
%, reduction in ground water drawal in the last five years

5
%, reduction in steam consumption in the last five years

1300
%, increase in green cover in the last five years

How we strengthened our integrated sustainability

26.05
Bagasse produced (Lakh MT)

75
% of bagasse consumed for renewable power generation

5.37
Molasses produced (Lakh MT)

100
% of free molasses consumed to produce ethanol (green fuel)

100
% of fly ash of distillery incinerator boiler consumed to manufacture granulated potash

0.28
Potash granules produced (Lakh MT)

0.27
Dry ice (CO2) produced (Lakh MT)

34.93
Power exported (crore units)

Our Social commitment

At BCML, our business is driven by the power of relationships. The strength and stability of these relationships makes our business stable. Passionate employees (youth and experience) drive outperformance. Dedicated vendors enhance throughput and efficiency. Primary customers relate our end products with quality and attractive pricing.

The Company is not only driven by the need to make the world a better and cleaner place through manufacture of quality products but also through a widening prosperity effect across the less privileged. BCML's CSR intervention is an extension of the prosperity-enhancing ethos of the Company into the domain of social responsibility and environmental sustenance.

The Company takes a holistic approach to sustainable value creation for all its stakeholders (employees, communities and others) by nurturing its long-standing relationships and building new ones, details of which have been provided in the Stakeholder Report and Business Responsibility Report on pages 20 and 164 respectively.

Our Safety commitment

At Balrampur, the subject of operational safety is critical across the following interventions: operation of rotary equipment, boiler and TG operation, working at heights, temperature working (welding and cutting), sugar and alcohol loading, excavation, electrical maintenance, acid and chemical handling as well as static electricity generation. As with any industrial activity that involves manual labour, there could be possibilities of injuries, accidents and equipment breakdown.

Over the years, the Company maximised safety through proactive measures and safeguards. The Company responded to the subject through strategic interventions: creation of an enunciated policy on the subject, priority by the Board on the subject, awareness building, team composition, structure and engagements with the rest of the Company, periodic reporting in safety performance to all stakeholders (internal and external), prudent recruitment of professionals with the requisite competencies and experience, ongoing training on the subject, mock drills to enhance a state of preparedness, investment in corresponding safety-enhancing infrastructure and equipment as well as the observation of an Annual Safety Week.

The tactical initiatives taken by the Company comprised safety education and training, precise and documented allocation of employee responsibilities, formal Work Permit System, elaborate policies on safety precautions, maintenance of incident / accident reports, compliance related to personal protecting equipment, use of relevant signage across manufacturing locations, implementation of a Do's and Don'ts Policy, creation of 'Restricted Areas' to eliminate unauthorised access, maintenance of material safety data sheet signage at the required locations, imposition of penal provisions for unsafe acts, investment in a comprehensive fire safety system, creation of a detailed emergency evacuation plan, periodic mock drill for fire control and emergency evacuation, periodic structure audit to address/attend observations with speed and a periodic safety audit.

The Company designated a Safety Officer across each of its three daily shifts to supervise operations from a safety perspective. These Safety Officers were empowered to discontinue operations in the event of safety violations. Besides, a written warning, coupled with penal provision, was introduced to eliminate recurrence. Accident reports were circulated to all the Company's units to enhance awareness, benchmarking and best practices.

Recommendations

- Enunciated policy
- Focused importance
- Board priority
- Awareness building / Communication
- Team composition
- Focused team structure
- Team engagement with the rest of the Company
- Periodic reporting to stakeholders (internal and external)
- Prudent and timely recruitment
- Training intensively and extensively
- Conduct mock drills
- Investing in suitable infrastructure
- Investing in safety equipment and apparatus
- Observe an annual Safety Week

Initiatives

- EHS Policy and Safety Manual revised
- Formed EHS Committee, meeting periodically to address safety challenges
- Regular EHS training programs to enhance safety competencies
- Formed Safety Committees.
- Appointed corporate EHS Head
- Prepared safety MIS; circulated internally
- Conducted periodic on-site and shop-floor training.
- Appointed Safety Officers
- Presented safety performance each quarter
- Conducted periodic training
- Conducted monthly mock-drills
- Ensured highest safety standards during erection (proper stair heights, railing illumination, guards etc.) coupled with a structural audit
- Provided safety equipment (safety shoes, helmets, aprons, gloves, ear plugs and goggles etc.)
- Observed an annual Safety Week (4 to 10 March) comprising safety competitions (safety slogans, sketches and essays)

Lost time due to injuries performance, 2021-22

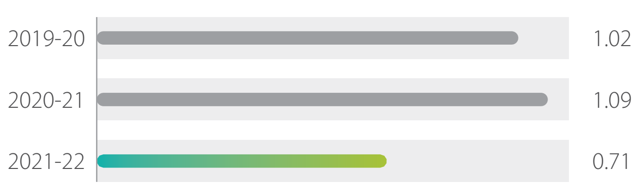
Unit name	Near miss 2020-21	Near miss 2021-22	LTI-record		
			2019-20	2020-21	2021-22
Balrampur	19	13	3	4	3
Babhnan	0	9	0	0	0
Tulsipur	13	1	1	2	0
Haidergarh	0	1	0	0	0
Akbarpur	6	22	2	2	0
Rauzagaon	6	0	1	1	0
Mankapur	22	13	4	3	2
Kumbhi	3	8	4	3	2
Gularia	5	21	2	3	2
Maizapur	0	16	0	0	2
Total	74	104	17	18	11

Accident frequency record

Year	Accident (LTI)	AFR
2019-20	17	1.02
2020-21	18	1.09
2021-22	11	0.71

The Company engages in detailed investigations for all accidents and occurrences. The outcome of these investigations is discussed at various forums to eliminate recurrence. Besides, the Company engages in safety inspections and audits by a Safety Committee in addition to scheduled audits by competent persons / certification bodies.

Accident frequency rate



Our safety certifications

MAH licence under Factories Act	PESO licence	Fire safety activeness certificate
Pressure vessel certificate	Fitness certificate for lifting equipment	No objection certificate for sulphur storage
On-site emergency plan from competent persons	Periodical Safety Audit by an external agency/competent professionals	Disaster Management Plan

Our Health commitment

Balrampur prioritises the health of those engaged in its eco-system comprising employees, farmers, vendors, community members and trade partners. The Company prioritised activities and processes that did not compromise health and well-being. During the pandemic, the Company prioritised distancing among employees and use of personal safeguards. The Company monitored activities in the sugar packing area, ethanol dispatch area, bagasse yard and ash collection area. It advocated the use of personal protection gear in areas that generated loud sound (boiler and turbines) and in areas that worked with hazardous chemical substances.

Social distancing

- Promoted regular hand washing and sanitization.
- Introduced daily thermal scanning for employees entering the factory
- Conducted periodic health checks
- Instituted training and awareness programmes

Employee discipline

- Advocated masks and safety goggles for those working in bagasse and ash yards to suppress material dispersal
- Advocated ear plugs and earmuffs for employees in high sound areas.
- Advocated personal protection equipment with knowledge of MSDS.

Employee welfare

- Organised free medical camps in all units, supervised by specialists from reputed hospitals
- Instituted a Mediclaim Policy to cover employees and families

Education support

Provided education support till graduation to the children of blue-collar workers deceased due to COVID-19

Monthly monetary support

Provided monthly monetary support to the spouses of blue-collar workers deceased due to COVID-19 for three years

Infrastructure support

- Sanitised offices and buildings
- Maintained a hygienic changing room
- Maintained canteens to serve hygienic food.
- Dispensaries with medical staff provided first-aid and preliminary medication for employees and contractors.
- Provided ambulance facilities

Outcomes

The Company eliminated hazards in factory pockets engaged in sugar packing, fly ash generation, bagasse leakage and high noise through periodic health checks and regular attendance (correspondingly lower instances of leave without pay).

Corporate Social Responsibility Commitment

The Company's CSR vision is 'to contribute for bringing social and economic change to the underprivileged sections of the society in an equitable and sustainable manner and to contribute for livelihood enhancement initiatives for the weaker sections of the society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India.'

Over the years, BCML has enriched the lives of communities through sustainable livelihoods, promoting education, healthcare, sanitation and developing of rural infrastructure in regions of Uttar Pradesh (where all its manufacturing facilities are located) where the human development index is low compared to the average human development index.

The bulk of the CSR activities in Uttar Pradesh was conducted through Balrampur Foundation under the Nayi Umeed Project to fulfil the Company's aspirations to make rural Indian lives productive.

The Company also partnered with respected agencies like National Skill Development Corporation (NSDC) of Government of India, Agastya Foundation, Purkal Youth Development Society and others in achieving its CSR objective.

Our CSR spending

Year	(₹ in Lakh)
FY 22	1119.67
FY 21	1067.55
FY 20	1092.89
Total of last 3 Financial Years	3280.11

Project Nayi Ummeed with Balrampur Foundation

Project Nayi Ummeed endeavours to improve rural life quality through knowledge, tools, technologies, services and awareness, guided by 5Es (Empowerment, Education, Engineering, Energy and Environment).

Empowerment: Makes women entrepreneurs by giving them equipment and requisite training in association with USHA International so that they can establish USHA Silai School and empower other women in the village.

Makes farmers self-sufficient through knowledge leading to improved agricultural practices (crop diversification and increased yields)

Engineering: Enhances technology use (tools and techniques) that improves yields, soil quality, water consumption efficiency and supplementary income.

Education: Focus on providing quality education and improved learning outcomes; constructed/renovated schools, computer labs, built toilets for boys and girls, provided safe drinking water, installed sanitary napkin incinerators and dispensers, printers, capacity building for teachers and promoting school champions.

Energy: Focus on providing basic healthcare facilities for women and children (general health camps, free medicines, referral to hospitals, capacity building of health workers and specialised health camps)

Environment: Focus on the natural resource management, conserving the soil, water and natural habitats (canal and pond cleaning, installation of solar lamps and hand pumps, charities and donations to organisations engaged in animal welfare and cattle care as well as soil restoration)

Balrampur's CSR outreach

Health and well-being

3

Ante-natal care centres renovated

50,000+

Patients benefitted

8

Government healthcare facilities supported

Environment

50

Acres afforested in 140 villages

150,000+

Trees planted

Community development

340

Communities reached

10,00,000+

Individuals benefitted

60

Sanitary pad dispensers installed

206

Solar street lights installed

Education

40,000+

Students impacted

33

Schools covered for infrastructure support

81

Schools where science lab was introduced

Sustainable Livelihood & Empowerment

5500+

Farm equipment distributed

39.6%

Increase in farmer income

150+

Women entrepreneurs created

Note: The data are from Social Impact Assessment Report issued in May, 2022.

Case study

Turning a local school around

The government school in Gularia faced a challenge in deficient school infrastructure. Animals roamed the school grounds; school property was at risk of damage and theft. This resulted in students absenting themselves, coupled with declining enrollments as parents transferred their children to private schools.

Balrampur Foundation approached the school in 2021 with the offer to improve its infrastructure. The Company, through Balrampur Foundation, renovated classrooms, wiring, fans, floors and boundary wall. The provision of benches, desks, tables, chairs, and cupboard enhanced the learning environment, reducing the dropout rate. A well equipped playground was also created for the holistic development of children.

Student turnout has begun to increase; the school is beginning to turn around into an academic hub that it was positioned to be.

Strengthening Health Care

Shilpi Devi of Bijya village faced a challenge.

She found it difficult to afford a private hospital for her delivery due to poverty. The ANM center was not equipped and lacked basic facilities in a crumbling building.

The Company, through Balrampur Foundation, contributed to maternity health care and renovation of the ANM center. Pregnant women can avail of medical care facilities within a short distance from their homes.

The ANM center has provided accessible and affordable healthcare, especially for economically weak families.

Shilpi Devi delivered in the renovated environment and went home relieved and smiling.

She credits Balrampur Foundation for ensuring accessible and affordable maternity benefits for the village womenfolk in the near vicinity.

Carving out an entrepreneur

Farmer Ragbeer graduated from Lucknow University with a Masters of Science degree. His father owned a 150-bigha plot in Banarki village. He began preparing for a competitive examination for a government job but circumstances required him to remain at home with his parents. During this period, he took up farming and started a small business.

Since the business was not profitable, his confidence was impacted. Balrampur Foundation stepped in.

The Foundation provided agriculture support. Ragbeer began to devote his entire time to farming. Yields improved; he reported a profit and proceeded to lease an additional 30 bighas.

Ragbeer claims, "Balrampur Foundation enabled me to become self-sufficient. I am now my own boss, reporting to no one."

Qualitative transformation of our interventions

Stronger academic engagement

- Decline in the academic dropout rate
- Improved learning outcomes
- Enhanced student Happiness Quotient
- Cleaner toilets; better hygiene and attendance
- Increased general awareness
- Better digital awareness

Improved agriculture practices

- Training in use of modern equipment
- Better soil quality
- Increased time efficiency
- Improved quality & quantity of yield
- Increased incomes

Better health care

- Lower illness frequency
- Higher livelihood productivity
- Enhanced medicine affordability
- Shorter distance between healthcare facility and patients
- Lower incidence of critical illnesses and diseases
- Better personal health & hygiene habits

Cleaner environment

- Cleaner surroundings
- More water for daily use hygiene
- Better night safety
- Greater use of solar lamps for community learning
- Lower incidence of water-borne infections

Mobile Science Lab Project with Agastya International Foundation

The Company, in association with Agastya Foundation, is running four mobile science laboratories in Balrampur, Barabanki, Lakhimpur Kheri and Gonda districts of Uttar Pradesh. The mobile science laboratory visits schools in rural areas that do not possess any infrastructure and equipment to conduct practical classes for science. Agastya is also offering outreach programs through online platforms. The EPL initiative (Explore, Play & Learn) promotes self-learning and the self-exploration capacities of students through household materials and daily life situations. Capacity building workshops, digital summer camps and special programmes were also conducted by Agastya under this project.

Helped strengthen science understanding

Princy's father works as a security guard; her mother is a homemaker. Princy has been attending Agastya sessions since class six at school. "A science fair by Agastya used a model of the skeletal system to explain the function of bones and other organs. For the first time, I could see and touch the internal parts of a human body," says Princy. "Agastya sessions increased my interest in learning as the previous method was boring. During the pandemic, Agastya's instructor engaged me through online sessions. Attending sessions through Google Meet was a new experience. My science knowledge improved as a result. I can relate my science knowledge to the everyday phenomena around me." Princy aspires to become an IAS officer.

Princy Mishra is a student of class 9, Valmiki Inter College, Nawabganj, Gonda

Understanding astronomy countered superstition

Yuvraj is one of six siblings. Yuvraj's parents prioritised learning during the pandemic. They enrolled Yuvraj in Agastya classes. Yuvraj says, "I attended Agastya's Science Fairs, helping me simplify complex problems. I was able to conduct experiments on light and straight path properties that helped me understand solar and lunar eclipses." Yuvraj wants to join the Indian Armed Forces.

Yuvraj, student of class 8, UPS Sirsa, Nawaganj, Gonda

From rote to practical learning

Minakshi's father is an auto driver; her mother is a housewife. Minakshi has been attending Agastya sessions from the 8th standard when schools were shut due to the pandemic. "The Agastya method of teaching using activities and models on Google meet or Whatsapp. The Agastya instructors were friendly and patient. Two experiments conducted per session." Minakshi aspires to become a doctor.

Minakshi Tiwari, class 9, Aadarsh Vidhyalay, Bhagwatiganj, Balrampur

Our response to the Covid-19 pandemic

The Company expressed solidarity with the Government and society, addressing humanitarian needs through direct support and collaborations with other organisations. The Company installed two oxygen generator plants in district hospitals in Barabanki and Balrampur.

Sanitization drives were undertaken by the Company and its ambulances ferried rural people to CHCs and district hospitals.

Our Governance Commitment

Core principles of corporate governance

Accountability	Transparency	Integrity	Social responsibility	Regulatory compliances

The Company is ranked in the top 500 listed companies by market capitalization. It recognises that corporate governance is a continuous exercise. Adherence to transparency, accountability, fairness and ethical standards are an integral part of the Company's function and its governance policies are framed accordingly.

The Company's structure, business dealings, administration and disclosure practices are aligned with good corporate governance practices. The Company has adequate controls in place to ensure that the executive decisions result in optimum growth, benefiting stakeholders. The Company aims to sustain corporate values through such innovation.

The Company places a premium on Board composition, comprising professionals and industrialists of standing. The Company has built the business around a long-term commitment and positions itself not as much as a standalone sugar company as much as an energy organization. The Company invests in digitalization to enhance cyber security, controls, data capture and dissemination for robust governance.

Board of Directors

Composition of the Board

7 Directors

4 Independent Directors

2 Executive Directors

1 Non Executive Non Independent Director

2 Women Independent Directors

Board seniority

29% 10 years or more

42% 5-9 years

29% less than 5 years

Board Committees

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- Executive Committee
- ESG Committee (being constituted)

Core skills / expertise of Directors

Technical skills/experience

- Accounting and Finance
- Information Technology
- Statutory Compliance
- Risk Management
- Business Planning and Strategy
- Auditing
- Human Resource Management
- Engineering and Technology
- Corporate Affairs
- Agri Research & Development

Industry knowledge/experience

- Industry experience
- Industry knowledge
- Understanding relevant laws, rules, regulation and policy economics

Behavioural competencies

- Interpersonal relationships
- Leadership

Overview

Directors: Seven

Majority of Directors are Independent Directors.

50% Independent Directors are Women Directors.

All Independent Directors are appointed initially for five years and if recommended by NRC, the Board appoints for an additional five years subject to shareholder approval.

Committees chaired by Independent Directors

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee

Governance Policies

- Code of Conduct
- Whistle Blower Policy
- Anti-Bribery Policy
- Selection & Remuneration of Directors, KMPs & other employees Policy
- Board Diversity Policy
- Environment-Health-and-Safety (EHS) Policy
- Prevention of Sexual Harassment Policy
- Code of Fair Disclosure
- Code of Conduct for Insider Trading
- Related Party Transaction Policy
- Policy for Determination of Materiality of events/information
- Business Responsibility Policy
- Cyber Security and IT Policy
- Risk Management Policy
- Corporate Social Responsibility Policy
- Succession Policy

Directors' experience

Year	FY 2019-20	FY 2020-21	FY 2021-22
Number of collective years of working experience brought to the Board by all the Directors (years)	281	264	244

Year	FY 2019-20	FY 2020-21	FY 2021-22
Number of collective years of Director-level experience brought to the Board by all the Directors (years)	145	150	130

Year	FY 2019-20	FY 2020-21	FY 2021-22
Number of collective years of Director-level experience within the Company brought to the Board by all the Directors (years)	69	72	74

Directors' Profile

Mr. Vivek Saraogi

Chairman and Managing Director

Mr. Vivek Saraogi, an eminent industrialist, is a veteran in the sugar industry and has been one of the youngest presidents of the Indian Sugar Mills Association. He has also served as the Chairman of Indian Sugar Exim Corporation Limited and is a former committee member of FICCI & the Indian Chamber of Commerce in Kolkata. Under his stewardship and able leadership, the Company has grown leaps and bounds through organic and inorganic means enabling BCML to emerge as a leader in the Indian sugar industry. Mr. Saraogi is a commerce graduate from St. Xavier's College.

Mr. Dinesh Kumar Mittal

Lead Independent Director

Mr. D.K. Mittal has done M.Sc. (Physics) with specialisation in electronics from the University of Allahabad. He is a former Gold Medalist IAS officer from the batch of 1977 (U.P. cadre) and has served the Government of India in various capacities. Mr. Mittal was the Secretary, Department of Financial Services, where he worked very closely with the RBI and was on the Board of the RBI, LIC, State Bank of India, IIFCL and IIFCL (UK). Previously as Secretary, Ministry of Corporate Affairs, he has worked closely with ICAI, ICSI and ICWAI.

As an Additional Secretary, Department of Commerce, Mr. Mittal was the Chief Negotiator of India for WTO negotiation. He has also served in various capacities in Uttar Pradesh Government like Director General of UP Academy of Administration and State Institute for Rural Development, Managing Director of Uttar Pradesh Land Development Corporation and Vice Chairman of the Ghaziabad Development Authority.

Mr. Naresh Dayal

Non Executive Non Independent Director

Mr. Naresh Dayal holds a Masters' degree in Arts from University of Delhi and in Professional Studies, Agriculture from University of Cornell, USA. He is a former IAS officer who has worked with the Government of India for 37 years in various positions at the state and national levels. As Secretary to the Hon'ble Ministry of Health and Family Welfare, Mr. Dayal was responsible, among other things, for all policies and programmes in the realms of Public Health, supervising the National Health Authorities, assessing and devising the policies for the Country's manpower requirements in health.

Mr. Krishnava Satyaki Dutt

Independent Director

Mr. Krishnava Dutt is a Law graduate and is currently the Managing Partner of Argus Partners. Earlier he was associated with Amarchand Mangaldas, a reputed law firm from where he retired as a Partner in the year 2009. Forbes India in its Legal Powerlist 2020 recognised Mr. Dutt as one of the Top 50 Managing Partners and as one of the Top 100 Individual Lawyers for Insolvency & Bankruptcy and Mergers & Acquisitions. 'ALB India 2020 Super 50 Lawyers' list recognised Mr. Krishnava Dutt as one of the top 50 private practitioners in India. Mr. Dutt has been recognised as 'Highly Regarded' in M&A by IFLR1000 2020 Rankings. He has been identified by India Business Law Journal as one of India's top 100 lawyers and is mentioned amongst the India A-List lawyers of 2020, 2019, 2018 and 2017.

Ms. Veena Hingarh

Independent Director

Prof. Veena Hingarh is the Director in South- Asian Management Technologies FZC, Dubai and South Asian Management Technologies Foundation, a National State Board of Accountancy (USA) accredited institution focused on research, training, and strategic consulting services in the area of finance, IT, and risk management. She has over 20 years of result-oriented consultancy and corporate training experience. Her areas of specialisation are Information System Audit, Risk Management, and International Financial Reporting Standards. She is a member of the Financial Reporting Review Board, ICAI. Prof. Hingarh is a FCA (ICAI), ACA (ICEAW), Company Secretary, Certified Information System Auditor and Masters in Science.

Ms. Mamta Binani

Independent Director

Ms. Mamta Binani has more than two decades of rich experience in Corporate Consultation & Advisory, Insolvency laws, Due Diligence, Secretarial & Legal functions. She was the President of the Institute of Company Secretaries of India (ICSI) for the year 2016 and was only the second lady President of ICSI in the illustrious history of the Institute. She is the Vice President of the Kolkata National Company Law Tribunal Bar Association, the Chairperson of the Merchant Chamber of Commerce-Legal Affairs Council and is the Co-Chair of the Restructuring Committee on Stressed Assets of Indian Chamber of Commerce. She has been bestowed with various medals, certificates and awards including the prestigious D.L. Mazumdar's Silver Medal, Tejaswini Award, Mauji Ram Memorial Award, Bharat Nirman Awards etc. Ms. Binani is a Commerce Graduate, Law Graduate and a Fellow Member of the Institute of Company Secretaries of India. She is also the first registered Insolvency Professional in the country.

Mr. Arvind Krishna Saxena

Whole time Director

Dr. Arvind Krishna Saxena's experience spans more than 40 years and is associated with the Company since the year 2002. He has held prestigious positions in various organisations like Indo Gulf Fertiliser & Chemical Corporation Ltd, Green Crop Fraction Project (sponsored by United Kingdom) among others. He has also been associated with scientific and research activities as visiting expert in National Botanical Research Institute (Council of Scientific & Industrial Research). Dr. Saxena is a M.Sc. and a Ph.D. (Botany) with a specialisation in industrial mycology, bio-composting, mushroom production and processing from Horst, Holland. He has published many papers in the prestigious scientific journals. He has specialization in the development of Agri-inputs like Paudh-Shakti, Jaiv-Shakti, Devdoot and Bhumi-Shakti.

Board Committees

Audit Committee		
Mr. Dinesh Kumar Mittal	Chairperson	Non-Executive - Independent Director
Mr. Krishnava Dutt	Member	Non-Executive - Independent Director
Ms. Mamta Binani	Member	Non-Executive - Independent Director
Mr. Naresh Dayal	Member	Non-Executive - Non Independent Director

Nomination & Remuneration Committee		
Mr. Dinesh Kumar Mittal	Chairperson	Non-Executive - Independent Director
Ms. Veena Hingarh	Member	Non-Executive - Independent Director
Mr. Naresh Dayal	Member	Non-Executive - Non Independent Director

Stakeholder's Relationship Committee		
Mr. Krishnava Dutt	Chairperson	Non-Executive - Independent Director
Ms. Veena Hingarh	Member	Non-Executive - Independent Director
Mr. Vivek Saraogi	Member	Chairman and Managing Director

Risk Management Committee		
Mr. Dinesh Kumar Mittal	Chairperson	Non-Executive - Independent Director
Mr. Krishnava Dutt	Member	Non-Executive - Independent Director
Ms. Veena Hingarh	Member	Non-Executive - Independent Director
Mr. Naresh Dayal	Member	Non-Executive - Non Independent Director

Corporate Social Responsibility Committee		
Mr. Naresh Dayal	Chairperson	Non-Executive - Non Independent Director
Ms. Veena Hingarh	Member	Non-Executive - Independent Director
Mr. Vivek Saraogi	Member	Chairman and Managing Director

Executive Committee		
Ms. Mamta Binani	Member	Non-Executive - Independent Director
Mr. Vivek Saraogi	Member	Chairman and Managing Director
Mr. Arvind Krishna Saxena	Member	Whole Time Director

Tenure of Directors

Name of the Director	Category	Initial Date of Appointment
Mr. Vivek Saraogi	Chairman and Managing Director	3 July, 1987
Mr. Dinesh Kumar Mittal	Non-Executive - Independent Director	6 February, 2014
Mr. Krishnava Dutt	Non-Executive - Independent Director	6 February, 2014
Dr. Arvind Krishna Saxena	Whole Time Director	31 July, 2008
Mr. Naresh Dayal	Non-Executive - Non Independent Director	15 November, 2016
Ms. Veena Hingarh	Non-Executive - Independent Director	31 August, 2019
Ms. Mamta Binani	Non-Executive - Independent Director	5 November, 2020

Independent and Women Directors on Board

As on 31 March, 2020	As on 31 March, 2021	As on 31 March, 2022
5 Directors out of 8 directors were Independent i.e. 63%	5 Directors out of 8 directors were Independent i.e. 63%	4 Directors out of 7 directors are Independent i.e. 57%

As on 31 March, 2020	As on 31 March, 2021	As on 31 March, 2022
1 Director out of 8 directors was Independent women director i.e. 13%	2 Directors out of 8 directors were Independent women directors i.e. 25%	2 women directors out of 7 directors are Independent women directors i.e. 29%

Management discussion and analysis

Global economic review

The global economy staged an attractive rebound in 2021 with an estimated 5.9% growth compared to a de-growth of 3.3% in 2020. This recovery was attributed to a vaccine rollout that extended across 4.4 billion people. This growth could have been better but affected by a sharp increase in freight rates, dearth of shipping containers and semiconductor chips, inflation (highest since 2011) and sustained high oil prices. The global economy is projected to grow at a modest 2.6% in 2022.

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

Performance of major economies

United States
The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020.

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

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

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

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

Indian economic review

The Indian GDP recovered from a de-growth of 7.3% in 2020-21 to a growth of 8.7% in 2021-22.

India's fiscal deficit was estimated at ~₹15.86 trillion for the year ending 31 March, 2022 or 99.7% of the Revised Estimates (RE) of ₹15.91 trillion. As a percentage of GDP, fiscal deficit stood at 6.7% compared with RE of 6.9%.

India's 2021 monsoon was 99.32% of normal, marginally lower than in the previous year. The production of rice and pulses was a record 127.93 million tonnes and 26.96 million tonnes respectively; oilseeds production was 371.47 million tonnes. India's manufacturing sector grew around 12.5%, the agriculture sector grew 3.9%, mining and quarrying grew 14.3%, construction grew 10.7% and electricity, gas and water supply grew 8.5% during the year under review.

India's exports were 40% higher at a record USD 417.8 billion in 2021-22, surpassing the official target by 5%, an indicative of a competitive under-current. India received the highest annual FDI inflow of USD 83.57 billion in FY 2021-22, catalysed by the government approving 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22. There was an outperformance also in the area of asset monetisation when India mobilised more than ₹97,000 crore (target ₹88,000 crore). The Indian government launched a four-year ₹6 Lakh crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

India's currency weakened 3.59% to ₹75.91 to a US dollar in FY 2021-22. Inflation was higher; consumer price index (CPI) was around 5.3% in FY 2021-22. Creditably, India reported improving Goods and Services Tax (GST) collections each successive month in the second half of 2021-22, peaking at ₹1.42 Lakh crore in March 2022.

India received USD 87 billion during 2021, the largest for any country, as foreign exchange reserves peaked at USD 642.45 billion as on 3 September, 2021. The country received positive FPIs worth ₹51,000 crore in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of USD 3.21 trillion in March 2022. India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking.

India's tax collections increased to a record ₹27.07 Lakh crore in FY 2021-22 compared with a budget estimate of ₹22.17 Lakh crore. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in FY 2020-21 to 11.7% in FY 2021-22, the highest since 1999. India's per capita income increased from around ₹1.27 Lakh in FY 2020-21 to ₹1.50 Lakh in FY 2021-22.

The highlight of the year under review was the Budget FY 2022-23, which announced a capital expenditure expansion of 35.4% from ₹5.54 Lakh crore to ₹7.50 Lakh crore. The effective capital expenditure for FY 2022-23 was ₹10.7 Lakh crore. An announcement of nearly ₹20,000 crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for FY 2022-23 for the national highways network. To strengthen the country's agricultural sector, an allocation of ₹2.37 Lakh crore was made for the procurement of wheat and paddy under the MSP operations. An outlay of ₹1.97 Lakh crore for the Production Linked Incentive (PLI) schemes is expected to catalyse growth across 13 sectors.

Y-o-Y growth of the Indian economy

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

Growth of the Indian economy, 2021-22

	Q1, FY 2021-22	Q2, FY 2021-22	Q3, FY 2021-22	Q4, FY 2021-22
Real GDP growth (%)	20.1	8.4	5.4	4.1

Outlook

The Indian economy is projected to grow by a little over 7% in FY 2022-23, lower than initially expected on account of higher inflation. However, the scenario is optimistic across three years: capital expenditure in cement, metal, oil refining and power should be about ₹5 trillion while the government's production linked incentive-led capex should generate ₹1.4 trillion more by way of revenues across the consumer durables, pharmaceutical and automobile sectors.

Overview of global sugar production

In the marketing year 2021-22, global sugar production was pegged at 173.5 million tonnes, registering a growth of mere 4.5 million tonnes as against 169 million tonnes in the previous season. Higher sugar production in nations like India, Russia, Thailand and European Union is expected to counterbalance the drop in Brazil's sugar output. Global sugar consumption was valued at 172.4 million tonnes, growing by ~2% Y-o-Y compared to 171 million tonnes in FY 2020- 21 due to a sharp growth in China, India and Russia. Sugar exports are expected to remain unchanged as the sharp growth in Thailand trade is counter balanced by the reduced shipments from Brazil. Stocks are estimated at a low level due to reduction in China, Indonesia and Thailand.

Key sugar producing nations

U.S.A

Sugar production in the United States was expected to grow marginally to reach 8.4 million tonnes, as gains from beet sugar are anticipated to offset cane sugar production in Louisiana. Sugar imports have reduced by 16% to 2.4 million tonnes depending on projected quota programs. Sugar consumption is expected to remain unchanged while stocks are lowered with the drop in imports.

Australia

Australia's sugar production was expected to increase by 65,000 tonnes to 4.4 million tonnes owing to increased yields. Sugar consumption and exports have increased due to surge in production, while closing stocks are expected to remain lower. Australia exports nearly three-quarters of its sugar production with Indonesia, Japan, and South Korea being its major export destinations.

Brazil

Sugar production in Brazil dropped by 6.4 million tonnes to 32.1 million tonnes due to dry weather conditions and frosts. This drop is anticipated to have a major influence on world sugar supply and prices as Brazil is the major producer and exporter of sugar. About 46% of the sugarcane crop is anticipated to be utilised for sugar and 54% is to be derived for ethanol as sugar prices remain rigid and comparatively more appealing compared to ethanol prices. Sugar consumption is anticipated to reduce marginally with stocks unchanged. Sugar exports in Brazil have reduced compared to last year's level, still representing the second-highest export level.

China

Sugar production in China is expected to drop by 1 million tonne to reach 9.6 million tonnes on account of lower sugar beet production due to reduced cultivation area. Consumption is expected to enhance by 2% as economic development steers changing consumption patterns like eating out more. Imports are lowered as stocks are expected to moderate to serve growing consumption needs.

European Union & UK

During 2021-22, sugar production is expected to increase by about 1.8 million tonnes to 17.5 million tonnes in owing to increased area under cultivation in Russia and yield recovery in the European Union. The area under cultivation is expected to moderate further in the new season. This at present is anticipated to be more than offset by a yield recovery as the major producers France and Germany have now joined the league of countries that have granted emergency authorisations for beet seeds treated with neonics. This will reduce disease pressure in the new season and is anticipated to lead to a recovery of sugar output to 17.5 million tonnes.

Thailand

Sugar production is expected to bounce back by 2.3 million tonnes to 10.1 million tonnes due to increased sugarcane yields, rising harvested area and favourable weather. Sugar consumption is expected to grow driven by robust demand for direct sugar consumption and food-processing. Sugar exports are anticipated to record ~10.4 million tonnes owing to favourable supplies and robust global demand. Stocks are anticipated to reduce with growing exports.

Indian sugar industry overview

India has become the largest producer and consumer of sugar in the world. The government's role in sugarcane pricing to safeguard farmer's interests, as well as fixing the minimum domestic sugar prices, played a key role in the development of this sector. Sugar production in India is pegged at 35.5 million tonnes after the diversion of 34 Lakh tonnes for ethanol production. Around 85% of India's total sugar production is contributed by Uttar Pradesh, Maharashtra and Karnataka. India's sugar exports were pegged at ~9.2 million tonnes driven by reduced global supplies and stable sugar prices.

Total acreage under sugarcane in the country stood at 54.55 Lakh hectares in 2021-22 Sugar Season (SS) compared to 52.88 Lakh hectares of cane area in the previous season, registering a growth of 3%. With the opening up of the economy and rolling out of vaccines, sugar demand has considerably bounced back with growing sales of sugar by products along with growing demand from hotel, restaurant and institutional sectors. The country's catering segment, which is predominantly unorganised, bounced back with the growing number of marriages and events post the second wave. Despite the pandemic shocks, the unorganised grocery channel remained largely strong in the year under review. Only 4% of the overall sugar sales is contributed by the packaged sugar. Factors like growing sales in modern retail and e-commerce along with changing consumer demographics is expected to drive growth in the packaged sugar segment.

Sugar Balance Sheet 2021-22 (in million tonnes)

Opening stock	8.2
Estimated production during sugar season 2021-22	35.5
Sugar availability	43.7
Estimated domestic consumption	27.8
Targeted exports during sugar season 2021-22	9.2
Closing stock	6.7

Sugar opening stock, production, consumption and closing stock in India over the years (in million tonnes)

Year	Opening balance	Production	Consumption	Closing balance
2017-18	3.88	32.48	25.39	10.72
2018-19	10.72	33.16	25.50	14.58
2019-20	14.58	27.41	25.30	10.74
2020-21	10.74	31.19	26.56	8.20
2021-22	8.20	35.50 (E)	27.80 (E)	6.70 (E)

Performance of key sugar producing states in 2021-22

Uttar Pradesh
Sugarcane area in Uttar Pradesh is estimated to witness a flat growth to reach 23.12 Lakh hectares in 2021-22 SS as against 23.07 Lakh hectares in 2020-21 SS. Sugar production is expected to be ~10.2 million tonnes post diversion to ethanol as compared to 11.1 million tonnes in the last season.

Maharashtra
Maharashtra's cane area has gone up by about 11% in 2021-22 SS from 11.48 Lakh hectares in 2020-21 SS to 12.78 Lakh hectares in 2021-22. South west monsoon rainfall in the State has been good, accompanied by sufficient water availability in the reservoirs in almost all the regions in the State. Ratoon cane availability is higher than plant cane and hence yield per hectare is expected to be slightly lower as compared to last year. The estimated sugar production is expected to be ~13.8 million tonnes in 2021-22 SS as compared to 10.6 million tonnes in the last season.

Karnataka
Karnataka's sugarcane area is estimated to be increased marginally to 5.22 Lakh hectares in 2021-22 SS compared to 5.01 Lakh hectares in 2020-21 SS. Therefore, sugar production is expected to be ~6.1 million tonnes following a diversion into ethanol compared to 4.5 million tonnes in the previous season.

Sugar exports and imports

Indian sugar exports are expected to touch a record high of ~9.2 million tonnes in the current marketing year 2021-22. Increase in the amount of sugar diverted to ethanol production has resulted in a shortage globally which Indian exports are stuffing. In the marketing year 2021-22, Indian mills signed contracts to export more than 8.7 million tonnes of sugar without government subsidies. Around 6.7 million tonnes had been dispatched since the start of the marketing year. Increased transportation cost on account of higher fuel prices in the current season will increase India's sugar export prices. On December, 2021 the WTO panel recommended India to pull back its alleged prohibited subsidies under the production assistance, buffer stock, marketing and transportation schemes within 120 days from the adoption of the report.

Sugar exports (in million tonnes)

Sugar season	Export
2018-19	3.8
2019-20	5.9
2020-21	7.2
2021-22	9.2

Market interplays

The Indian Government approved the increase in Fair and Remunerative Price (FRP) of sugarcane for 2021-22 SS at ₹290 as against ₹285 for 2020-21. The new FRP is applicable for sugar purchase in 2021-22 SS. The government fixed farmers earning at ₹275.50 per quintal for sugarcane in 2021-22 SS for recovery rate less than 9.5% compared to ₹270.75 per quintal in 2020-21 SS.

In the 2021-22 SS, the production cost of sugarcane stood at ₹155 per quintal. The FRP of ₹290 per quintal at a recovery rate of 10% is higher by 87.1% compared to the production cost, offering the farmers a handsome return of 50% over their cost.

FRP in ₹ per quintal

Year	FRP
2018-19	275
2019-20	275
2020-21	285
2021-22	290

Indian ethanol sector overview

According to a report by International Energy Agency, India is expected to become the third largest market of ethanol in the world after US and Brazil by 2026. As per the IEA report, it will be challenging for India to implement its 20% blending mandate in just five years, but even reaching 11% blending would make it the world's largest ethanol market. India has achieved 10% ethanol blending by production of 4.25 billion litres in 2022 compared to 2.9 billion litres in 2020. Around 85% of the country's fuel needs are imported. India's crude oil import bill nearly doubled to USD 119 billion in FY 2021-22 due to global surge in energy prices on account of the rebound in demand and Russia-Ukraine war. India spent USD 13.7 billion in March 2022 when oil prices surged to 14-year high. A significant increase compared to USD 8.4 billion spent in March 2021. Therefore, the government is focusing on means to enhance ethanol blending mainly to reduce its import reliance and strengthen the country's agricultural sector. India has targeted 20% ethanol blend by 2025. The country's dedicated ethanol blending programme addresses environment concerns, reduced oil import bill and remunerative farmer incomes. This program is expected to moderate oil imports, carbon emissions and strengthen sugar prices. India enjoys substantial feed stock to generate 10 billion litres of organic chemical compound. The oil marketing companies (OMCs) bagged the highest allocation of 4.39 billion litre and created a record ethanol blending of 10%. OMCs are enhancing ethanol tankage from 17 crore litre to 47 crore litre. India's fuel ethanol consumption is expected to enhance from 3 billion litres in the marketing year 2020-21 to 4.5 billion liters in the marketing year 2021-22.

India will require around 12 billion litre of installed capacity to achieve higher ethanol production. Many sugar companies have set up dual-feed ethanol plants to use corn and grains along with sugarcane and molasses. By 2025, it is expected that substantial capacities will be installed to generate and supply ethanol of around 10 billion litres. The sugar mills and distilleries are free to establish ethanol plants after obtaining statutory clearances and the government has already notified an interest subvention scheme to help in the establishment of these plants.

India's ethanol used as fuel and other industrial chemicals (in million liters)

Calendar year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021F
Beginning stocks	33	60	60	75	61	128	150	300	146	416
Production	2,154	2,057	2,002	2,292	2,061	1,671	2,692	2,552	2,981	3,178
Imports	5	108	193	204	432	722	607	704	722	750
Exports	177	233	180	165	136	141	129	50	133	140
Consumption	1,955	1,932	2,000	2,345	2,290	2,230	3,020	3,360	3,300	4,120
Fuel consumption	305	382	350	685	1,110	675	1,500	1,890	1,730	2,700
Ending stocks	60	60	75	61	128	150	300	146	416	84
Balance check	(1)	0	0	0	0	0	0	0	0	0
Production capacity										
Number of refineries	115	115	115	160	161	161	166	170	220	231+
Nameplate capacity	2,000	2,000	2,000	2,100	2,210	2,215	2,300	3,000	3,500	4,200
Capacity use (%)	108	103	100	109	93	75	117	85	85	76
Co-product production (1000 MT)										
Bagasse	108,309	102,360	105,642	108,699	97,485	79,176	118,784	99,942	118,374	119,603
Press mud	14,441	13,648	14,086	14,493	12,852	10,438	15,660	13,176	15,606	15,768
Feedstock use for fuel (1000 MT)										
Molasses	1,271	1592	1,458	2,854	4,625	2,813	6,250	7,000	6,407	9,643
Market penetration (million litres)										
Fuel ethanol	305	382	350	685	1,110	675	1,500	1,890	1,730	2,700
Gasoline	21,842	23,746	25,848	29,651	33,265	35,701	38,896	42,266	34,930	36,000
Blend rate (%)	1.4	1.6	1.4	2.3	3.3	1.9	3.9	4.5	5.0	7.5

Co-generation

Sugar cane crushing produces bagasse, which is utilised in power co-generation. The judicious use of bagasse along with moderate transmission and distribution losses, zero carbon emissions, reduced fuel cost, fuel diversity and energy security illustrates a cleaner alternative energy source.

Government initiatives

With a vision to excite sugar mills to divert excess sugar to ethanol and to attain the targets of blending ethanol, incentive on sugar sacrificed for producing ethanol from B-heavy molasses, sugarcane juice or sugar has been doubled from October 2021 in their monthly release quota.

The Government is motivating sugar mills and distilleries to increase their distillation capacities for which they are providing loan assistance from banks at an interest subvention rate of 6% or 50% of the interest charged by the banks whichever is less. The interest subvention scheme will attract an investment of ₹41,000 crore.

Company overview

Balrampur Chini Mills Limited is one of the leading sugar mills in India. The Company is a comprehensive and integrated sugar producer with substantial interests in sugar, ethanol and power co-generation. The contribution of non-sugar revenues in the total revenues of the Company has enhanced over the years, expanding the Company's profile and reinforcing its counter cyclicality.

The Company possesses 10 manufacturing facilities across the East and Central Uttar Pradesh. The Company's operational capability has translated its ability to generate more from less. As a result, the Company utilises optimal amount of resources to generate superior performance which is evident through its improvements in recovery, operating efficiency, cost management, gearing, cash flows and operating margins, making the Company an eminent value-creator in the country's agriculture sector.

SWOT analysis of Indian sugar industry

Strengths

- Sugar cane is among the most profitable cash crops in India
- India is ranked as the largest sugar consumer and second largest sugar producer globally
- The sugar industry strengthens downstream sectors and the vast rural economy of the country
- The Indian sugar industry is regarded as a local economy driver by the government
- The Indian sugar sector enriches the livelihood of around 50 million sugarcane farmers and provides direct employment to 5 Lakh workers.

Weaknesses

- Cane prices are considerably high as against global benchmarks
- Use of obsolete technology is still prevalent in many companies across the sector
- Poor economic condition of most mills

Opportunities

- India's per capita sugar consumption stood at 19 Kgs compared to the global average of 23 Kgs
- Mechanised farming practices can lead to remarkable growth in yield and recovery
- Compulsory ethanol blending program of the government is driving ethanol production
- Technological advancements can lead to greater by-product use

Threats

- Cropping and yields are impacted due to climate change
- The sector is repeatedly affected by a political agenda
- The sector is increasingly dependable on monsoon
- Lack of substantial infrastructure makes cane farming dependable on climatic fluctuations.

Financial overview

Analysis of the profit and loss statement

Revenues: Revenues from operations reported a 0.71% growth from ₹4,811.66 crore in 2020-21 to reach ₹4,846.03 crore in 2021-22. Other income of the Company reported a 43.23% growth and accounted for a 0.99% share of the Company's revenues, reflecting the Company's dependence on its core business operations.

Expenses: Total expenses increased by 0.99% from ₹4,249.00 crore in 2020-21 to ₹4,291.06 crore in 2021-22. Raw material costs, accounting for a 67.31% share of the Company's revenue from operations decreased by 7.12% from ₹3,511.86 crore in 2020-21 to ₹3,261.73 crore in 2021-22. Employees expenses accounting for a 6.35% share of the Company's revenues from operations increased by 9.28% from ₹281.65 crore in 2020-21 to ₹307.80 crore in 2021-22.

Analysis of the Balance Sheet

Sources of funds

The capital employed by the Company increased 3.87% to ₹3,034.22 crore as on 31 March, 2022 from ₹2,921.00 crore as on 31 March, 2021 owing to increased accruals. Return on capital employed, a measurement of returns derived from every rupee invested in the business, declined 83 basis points from 21.55% in 2020-21 to 20.72% in 2021-22 following lower sugar volumes and increased cane costs.

The net worth of the Company increased by 7.74% from ₹2510.85 crore as on 31 March, 2021 to ₹2,705.16 crore as on 31 March, 2022 owing plough back of profits. The Company's equity share capital comprised 20,40,40,000 equity shares of ₹1 each.

Long-term debt of the Company reduced by 29.12% to ₹256.95 crore as on 31 March, 2022 owing to scheduled repayment. The long-term debt-equity ratio of the Company stood at 0.09 in 2021-22 compared to 0.14 in 2020-21 owing to scheduled repayments during the year.

Finance costs of the Company reduced by 21.44% from ₹39.30 crore in 2020-21 to ₹30.87 crore in 2021-22 owing to lower borrowings, especially to fund working capital. The Company's gross debt (including working capital) / equity ratio was a comfortable 0.44 at the close of 2021-22 (0.49 at the close of 2020-21).

Applications of funds

Fixed assets (net block) of the Company increased by 13.94% from ₹1,613.06 crore as on 31 March, 2021 to ₹1,837.95 crore as on 31 March, 2022 owing to an increase in capex during the year. Depreciation on assets increased by 1.78% from ₹111.88 crore in 2020-21 to ₹113.86 crore in 2021-22 owing to an increase in fixed assets during the year under review.

Investments

Non-current investments of the Company reduced from ₹177.13 crore as on 31 March, 2021 to ₹157.50 crore as on 31 March, 2022 owing to a divestment of the entire stake in one associate company.

Working capital management

Current assets of the Company reduced by 13.72% from ₹2,754.38 crore as on 31 March, 2021 to ₹2,376.52 crore as on 31 March, 2022 owing to reduced inventory and declining debtors. The current and quick ratios of the Company stood at 1.60 and 0.12, respectively at the close of 2021-22 compared to 1.63 and 0.22, respectively at the close of 2020-21.

Inventories including raw materials, work-in-progress and finished goods among others reduced by 7.48% from ₹2,378.46 crore as on 31 March, 2021 to ₹2,200.51 crore as on 31 March, 2022 owing to lower inventory. The inventory turnover ratio improved from 2.06 in 2020-21 to 2.12 in 2021-22.

Despite marginal growth in revenues, trade receivables declined by 44.30% from ₹245.46 crore as on 31 March, 2021 to ₹136.72 crore as on 31 March, 2022. Trade receivable turnover ratio stood at 35.44 as on 31 March, 2022 as compared to 19.60 as on 31 March, 2021 owing to declining debtors.

Margins

Cost absorption impact due to flat revenues impacted the margins during the year. The EBITDA margin of the Company reduced by 40 basis points from 14.84% in 2020-21 to 14.44% while the net profit margin of the Company improved by 86 basis points due to exceptional gains on account of disposal of shares in the associate company.

Key ratios

Particulars	2021-22	2020-21
Operating profit margin (%)	14.44	14.84
Net profit margin (%)	10.62	9.76
Debt-equity ratio	0.09	0.14
Return on equity (%)	19.34	19.04
Return on capital employed (%)	20.72	21.55
Book value per share (₹)	135.18	122.09
Earnings per share (₹)	24.86	22.01
Debtors turnover ratio	35.44	19.60
Inventory turnover ratio	2.12	2.06
Interest coverage ratio	22.67	18.17
Current ratio	1.60	1.63
Debt service coverage ratio	4.52	4.28
Return on networth	19.73	19.46

Internal control systems and their adequacy

The Company's internal audit system has been continuously monitoring and updating to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the independent internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively

Human resources

The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements. During the year, the Company organised training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, safety, values and code of conduct. The Company's employee strength stood at 6350 as on 31 March, 2022

How we manage risks at Balrampur

Overview

The Company constantly reinforces its overall system to ensure prompt identification of risks, evaluate their applicability and undertake steps to reduce their chances and losses. Risk management is applicable across all management levels and operational areas. Risk management roles are assigned across the Board of Directors, Risk management Committee and Audit Committee of the Board of Directors.

Over the years, the Company initiated a systematic risk management approach. This encompasses the formulation of a Risk Management Team to evaluate numerous changes periodically in the external and internal environment and suggest proportionate counter-measures. In line with this, the Company's Risk Management Framework is periodically evaluated and adjusted as and when required. Accordingly, during the year under review, the Board has amended the Risk Management Framework and Policy. At our Company, we enlarged our perception of risks from the strategic and the macro to the micro – right down to the transaction level. In doing so, the Company has extended understanding from the Board to the individual employee level, reinforcing preparedness and mitigation.

Functions

The Risk Management Committee undertook the following measures:

- Overseeing, guiding, assessing and recognizing current and emerging risks
- Evaluating risk evaluation and measurement mechanisms
- Developing policies, practices and other control systems to manage risks
- Reporting results of risk to the Board
- Assessing and recognizing risk in other evolving areas

Implementation

During the period under review, the Risk Management Committee held two meetings. The Company's Board approved Risk Management Policy included material risks faced by the Company that were recognised and evaluated. The Company established a policy framework for ascertaining superior management of its asset and liability profiles.

Risk management structure

- Definition and description of risk elements (including sources, events, causes, and implications)
- Analysing risk, implications and forms of impact on the achievement of goals
- Developing, implementing and following up to achieve goals and aligning the risk management system to desired risk appetite levels
- Supervising the identification, assessment, implementation and follow up of risk management activities

Key risks and their mitigation

Cane availability and Recovery risk

Excessive, inadequate or ill-timed rain and diseases could hamper the cane availability, quality and recovery.

Mitigation

- Implementing better agricultural practices by providing agri-inputs as well as supporting cane development activities, reducing the impact of a weak monsoon, preventing pest attack and improving yields.
- Engagement with farmers for cane variety development.
- Tissue culture lab for early and different cane varieties.
- The cane development team of the Company actively evaluates the planting/growth of sugarcane and disease infestation programme to avoid or minimise damage.

Industry cyclicality risk

Diminished product off-take might hamper business sustainability

Mitigation

- Building strong by-product ethanol and power businesses to reduce cyclicality.
- India's per capita consumption of sugar is less than the global average, offering headroom for growth.
- The fully integrated business model's utilisation to utilise by-products and insulate the Company from flat sugar realisations.
- The Government's accommodative policy on managing the demand/ supply of sugar, reducing the adverse impact of low sugar realizations.
- Minimum Support Price for sugar fixed by the Government insulates the industry against this risk.

Cane price increase risk

Growing cane prices could impact profitability

Mitigation

- Industry associations are continuously engaging with both the Central and State governments to ensure a rational and win-win pricing policy for both industry and farmer.

Business interruption risk

Business disruptions due to pandemic could result in a financial loss

Mitigation

- The sugar industry body engaged with respective State Governments to normalise supply side disruptions following the pandemic
- The IT function of the Company maintains and upgrades systems on a continuous basis with trained personnel for taking care of disruptions.

Technological obsolescence risk

Ineffective processes can result in cost outreach

Mitigation

- Regular plant and machinery investments increased efficiency. The Company periodically replaced equipment; upskilling was conducted; capital expenditure was allocated for sustained improvement.

Regulatory clampdown risk

The Company's operations can be hampered due to changes in the regulatory environment

Mitigation

- The Company invested in plant and machinery for environment protection and to reduce pollutants/GHG emissions
- The Company recycled and reused process water to reduce freshwater drawal.
- The Company maintained zero tolerance level for violations
- The Company adopted a strong review mechanism to take care of any potential lapses.

Cyber Security and IT risk

This could lead to financial loss, disruption or damage to the reputation of the Company from some kind of failure of its information technology systems

Mitigation

- Balrampur Chini was one of the first sugar companies in India to migrate to SAP HANA S4
- The Company developed IT-driven disaster recovery system to ascertain uninterrupted business functioning
- The Company ensured data security by having identity and access control and authorization matrix.
- All critical business data (user and application data) was backed up to ensure information security
- The Company gateways as well as end points are secured using the best products to mitigate network and web security risks.
- Disaster recovery has helped ensure business continuity.

Risk	Mitigation
Government policy risk Changes in government policies might hamper the business operations of the Company	**Mitigation** ▪ The Government's intervention in the last couple of years has been positive. Favourable government policy on ethanol blending has helped insulate the Company against adverse sugar realizations, excess sugar production and inventory. ▪ The Company reduced its dependence on the sugar segment by strengthening ethanol production capacity to absorb surplus sugar output. ▪ The Government advanced the E20 program from 2030 to 2025, which will ensure consistency in policies ▪ The Company allocated capex for catering to additional ethanol demand. ▪ The Company is establishing a multi-feed plant to take advantage of ethanol demand.
Project execution risk Inability to complete projects on time might hamper the Company's future targets	**Mitigation** ▪ The Company completed the distillery expansion at Gularia on schedule this year ▪ Day to day monitoring and supervision by the management and external consultants help the projects keep on track
Sustainable risk (ESG) Uncertain social or environmental conditions could impact the Company's operations.	**Mitigation** ▪ The Company made significant technological investments in multiple areas to moderate carbon footprint, waste management, energy conservation, sustainable raw material cultivation and effluent treatment plant, among others.
Internal control risk Lack of efficiency and effectiveness in internal controls could affect organisational objectives.	**Mitigation** ▪ The Company prepared standard operating protocols for different functions, which are rigorously monitored. ▪ SOPs were periodically reviewed by the internal audit and external auditor teams. ▪ A dialogue between statutory and internal auditors ensures systemic effectiveness

Cautionary statement

The statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations . This Management Discussion and Analysis Report is to be read with the disclosures provided in the initial section of the Annual Report and with the Boards' Report.

Statutory Section

Report of the Board of Directors

for the year ended 31st March, 2022

Dear Shareholders

Your Directors have the pleasure of presenting their report as a part of the 46th Annual Report, along with the Audited Accounts of the Company for the year ended 31st March, 2022.

Financial results

The financial results of the Company are summarised below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	**4,84,602.68**	**4,81,165.70**	**4,84,602.68**	**4,81,165.70**
Profit before finance costs, tax, depreciation and amortisation, exceptional items and other comprehensive income	74,760.92	74,728.13	73,271.36	74,075.42
Less: Finance costs	3,086.89	3,929.59	3,086.89	3,929.59
Less: Depreciation and amortisation expense	11,386.49	11,187.64	11,386.49	11,187.64
Profit before share of profit of associates, exceptional items and tax	-	-	58,797.98	58,958.19
Add: Share of profit of associates	-	-	1,194.09	1,959.77
Profit before exceptional items and tax	**60,287.54**	**59,610.90**	**59,992.07**	**60,917.96**
Add/(Less): Exceptional items	5,273.75	-	(120.37)	-
Profit before tax	**65,561.29**	**59,610.90**	**59,871.70**	**60,917.96**
Less: Tax expense	14,095.52	12,633.68	13,408.15	12,938.96
Profit for the year	**51,465.77**	**46,977.22**	**46,463.55**	**47,979.00**
Other comprehensive income (net of tax)	(361.79)	(55.71)	(367.02)	(55.62)
Total comprehensive income for the year	**51,103.98**	**46,921.51**	**46,096.53**	**47,923.38**

Dividend and its Distribution Policy

In terms of the Dividend Distribution Policy of the Company, the Board of Directors of the Company had declared an interim dividend of 250% (i.e. ₹2.50 per share on Equity Shares of the face value of ₹1/- each) for the Financial Year ended 31st March, 2022. Total outgo on the interim dividend was ₹5101.00 Lakhs. The said Policy is available on the website of the Company at the following web-link:

https://chini.com/sustainability/governance/policies/

The Board has not proposed any final dividend for the Financial Year ended 31st March, 2022 and accordingly, the interim dividend paid during the year shall be treated as final dividend.

Reserves and surplus

The Company has transferred an amount of ₹20,000.00 Lakhs to the General Reserve.

Operations

The operational data of the Company for the last two sugar seasons and Financial Years are as under:

Particulars	Sugar Season		Financial Year	
	2021-22	2020-21	2021-22	2020-21
Sugarcane crushed (Lakhs quintals)	888.31	875.17	885.42	1032.61
Sugar produced (Lakhs quintals) *	90.58	92.47	90.96	109.79
Sugar Recovery (%) *	10.20	10.57	10.27	10.63

* Net of sugar loss due to diversion of sugarcane towards B-heavy molasses

Industry scenario and outlook

India began the sugar season 2021-22 (October to September) with an opening inventory of around 8.2 MMT (Metric Million Tonnes). Sugar production for the current season is estimated at 35.5 MMT, around 4.3 MMT higher than the previous season's production of 31.2 MMT. Current year's production estimate is net of sugar sacrifice of around 3.4 MMT towards Ethanol. We are going to witness historic records as far as production, sugar diversion into Ethanol diversion, Exports and domestic consumptions are concerned.

Maharashtra, Uttar Pradesh (UP) and Karnataka as usual remains the three largest sugar producing states and are expected to produce ~13.8 MMT, 10.2 MMT and 6.1 MMT of sugar in the ongoing season in comparison to the previous season's production of 10.6 MMT, 11.1 MMT and 4.5 MMT respectively.

The reasons for higher production in Maharashtra is due to increase in acreage and significant increase in yield at the farm level, thanks to abundant water availability across the Deccan plateau.

The reasons for lower production in UP are varied: larger diversion of sugarcane to ethanol via the B-heavy molasses/sugarcane juice route, lower yields owing to weather conditions and effect of red rot disease in certain pockets.

In Karnataka likewise Maharashtra, higher acreage and yield led to higher production.

The domestic demand for sugar is expected to be around 27.8 MMT as compared to 26.6 MMT in the previous season. The demand of 27.8 MMT will be a new record for the Indian sugar industry.

Sugar exports in the current season is expected to reach ~9.2 MMT as compared to ~7.2 MMT in previous season. This is the most interesting and important phenomena of the Sugar Season 21-22 as the quantum of export from India is not only the highest ever in the history of Indian sugar industry but also it has been achieved without any financial support from the Government of India.

There are certain reasons for this historic exports such as:

- The weak Brazilian sugar crushing season for the previous year
- War between Russia and Ukraine raised the crude oil as well as gasoline prices resulting in to substantial rise of Ethanol Parity price and increased diversion towards ethanol.

This consequently resulted in increase in global sugar prices as well. Industry seized the opportunity to export more sugar.

As a result, the carry forward stock of sugar in the country as on 30th September 2022, is expected to be around 6.7 MMT or around 3 months of consumption.

Domestic sugar prices for UP based millers ranged between ₹32.50 and ₹37.50 per kg through the course of the year.

The Government continued with most of the policies related to sugar and ethanol that had been announced in the previous years with the objective to support sugar realisations and to ensure that farmers are paid on time.

The following policies were sustained:

- Fair & Remunerative Price (FRP) of sugarcane for the sugar season 2021-22 was revised to ₹290 per quintal from ₹285 per quintal in the previous season (linked to a basic recovery of 10%).
- State Advised Price (SAP) of sugarcane for the state of Uttar Pradesh for the sugar season 2021-22 was increased to ₹350 per quintal from ₹325 per quintal in the previous season (for early maturing variety of sugarcane).
- The pricing methodology for ethanol remained unchanged. Ethanol prices are announced annually by the Central Government based on a formula, which factors the price of sugar and FRP of sugarcane to calculate ethanol procurement prices. Ethanol prices are delinked from crude or petrol prices. Ethanol prices for the supply period from December 2021 to November 2022 were increased to ₹63.45, ₹59.08 and ₹46.66 per BL for ethanol produced from direct cane juice/sugar syrup, B-heavy molasses and C-heavy molasses respectively

compared to ₹62.65, ₹57.61 and ₹45.69 per BL in the previous period.

- Along with MSP, stock holding limits on mills in the form of maximum monthly sale quotas continued.
- The Oil marketing companies announced differential and attractive prices for ethanol produced from damaged/surplus food grains.
- Soft loans are encouraged through banks for commissioning new distillery capacities or augmentation of existing capacities, which could facilitate higher ethanol production and reduce the sugar surplus through the diversion of B-heavy molasses and direct cane juice/sugar syrup away from sugar to ethanol as well as for production of Ethanol from damaged/surplus foodgrains.
- Duty structure on export and import of sugar remained same as per last year.
- A lower GST of 5% on ethanol.

It indeed is a fact that the Government remained cognizant of the health of the sugar sector and all its policy interventions were supportive, some measures are of importance to enable the industry to become self-sufficient.

- Increase the Minimum Selling Price (MSP) of sugar (which is a part of policy) to ₹36 per kg to cover all India average production cost of sugar. A proposal to raise MSP has been pending for approval at the Cabinet level.
- The blending proportion of ethanol for the supply year beginning from December 2022 needs to be increased towards 13% as an interim measure before industry becomes capable of supplying ethanol in larger quantities to address the 20% blending requirement by 2025.
- In order to achieve this 20% blending targets, as well as to address the situation created by ever increasing sugar production, as an incentive, the price of ethanol via B-Heavy molasses route as well as through direct cane juice/syrup routes need to be bought at an attractive level.

The Department of Food & Public Distribution, Government of India, sometime ago constituted a working committee comprising of members from Ministry of Food & Public Distribution, Agriculture & Farmer Welfare, Petroleum & Natural Gas along with representative from MSME, Niti Ayog, NSI, VSI, trade associations among others to look into the aspect of sugar cane price rationalisation and other matters to present a long-term sustainable solution for the entire sugar eco-system after due consultation. Further action in respect of the same needs to be undertaken on a priority basis.

Global scenario

The Global sugar year 2021-22 kick started with two fundamentals questions ;the first one was how low CS Brazil production would go down for the 2021-22 sugar year and the other one was how big would be the Indian exports without any Government subsidy support.

Finally, as the Brazilian session ended, it was found that CS Brazil had managed to end up with almost 32 Million tons of sugar much lower than the previous year however it was not as low as many trade/research houses estimated. The Indian exports, however, has indeed made a historic record which is already well elaborated in the previous sections.

Meanwhile the 2021-22 Thailand Crushing session also ended up recently and it had recovered significantly from its 2020-21 poor performance and produced 10.21 MMT sugar for the 2021-22 crop year.

Europe including UK did not provide any surprise and it is expected to produce almost 17.5 MMT sugar however Chinese production had a worse performance and it is most likely that the final number of Chinese domestic production to end up around 9.7 MMT, almost a Million ton lower than the previous year.

The global sugar consumption trend is hinting a northward spike on account of the reduction in Covid cases across the globe. Also the ongoing Ukrainian War is forcing most of the countries to stock up their essential commodities (which includes Sugar also) in order to address the domestic food inflationary pressures and shortages.

As we are aware that the global geopolitical tensions are raising the Oil prices much above 100 dollars mark and this is forcing most of the energy importing nations to switch towards more ethanol/ other renewable consumptions. This has invariably brought some tailwinds for sugar sectors. Moreover the lower acreage in relation to US Corn plantation is also another supportive thing for sugar price as this leads to more and more Brazilian millers switch towards ethanol production than Sugar from their current year sucrose contents. On account of climatic abnormality, the agricultural yield may remain weak in this year. Also, there are news that Brazilian sugar Mix may go down substantially in 2022-23 sugar session on account of higher ethanol demand. Moreover, any increase in gasoline prices by Petrobas will eventually raise the Ethanol parity price further and act bullish for Sugar prices.

The production from Indian sub continents including Thailand, however, will see a spike in next crushing session. Also Indian production may not see much downside from the current year production numbers in spite of much higher diversions towards ethanol.

So, it is expected that the forthcoming sugar session will have lower production from Brazil whereas the same could be compensated by India and Thailand. However higher consumption trend shows that the market will be evenly balanced with a minor surplus of 2 Million tons.

We strongly believe that the global sugar price will not have any negative surprise in near to intermediate term rather on account of a higher consumption due to declining Covid restrictions and higher Oil prices, it may see some strength in terms of price actions and could hover at current 19-20 c/lb with a bias for further upside above 20.50 c/lb even. Overall, the sugar sector across the globe will continue to have tailwinds in days ahead.

BCML's performance during FY 2021-22

Revenues earned from operations during the year stood at ₹4,84,602.68 lakhs as compared to ₹4,81,165.70 lakhs for the previous year, an increase of meager 0.71%. Revenues were stable on account of higher realisations despite lower sugar volumes. The distillery segment delivered robust performance. The Company no longer sees cogeneration as a separate segment. The Company earned a total comprehensive income of ₹51,103.98 lakhs during the year ended 31st March 2022 as compared to ₹46,921.51 lakhs in the previous year.

Segment-wise performance and outlook

Sugar

During the Financial Year ended 31st March 2022, sugarcane crushing stood at 885.42 lakhs quintals as compared to 1032.61 lakhs quintals in previous year, a decrease of 14.25% over previous year. This was on account of weather related issues and effect of previous years red rot disease which led to lower availability of cane. Sugar recovery for the year stood at 10.27% as compared to 10.63% in previous year due to weather related issues. During the Financial Year 2021-22 the Company has diverted 613.41 lakhs quintals (69.3%) of sugarcane for producing B-heavy molasses as compared to 675.56 lakhs quintals (65.4%) in previous year, owing to which sugar recovery was lower. In the process the Company sacrificed 11.32 lakhs quintals of sugar as compared to 11.73 Lakhs quintals in previous Financial Year. Had there been no diversion, sugar recovery for the year would have been 11.55% as compared to 11.77% in previous year. The Company is working hard at the ground level with the farmers and societies towards varietal re-balancing and developing new varieties which can be beneficial for both the farmers and millers. Necessary steps are also being taken to educate the farmers on modern agricultural practices.

During the year, the Company sold 102.63 lakhs quintals of sugar as compared to 113.26 lakhs quintals in previous year. Sales for the current year include 5.40 lakhs quintals for exports as compared to 5.58 lakhs quintals in previous year. Domestic sugar realization for the year stood at ₹34.79 per kg as compared to ₹32.37 per kg in previous year. Blended sugar realisation (Domestic along with export) stood at ₹34.71 per kg as compared to ₹32.01 per kg in previous year.

Sugar inventory as on 31st March 2022 stood at 52.44 lakhs quintals valued at ~₹34.22 per kg as compared to 64.40 lakhs quintals valued at ~₹31.28 per kg in previous year.

Distillery

The Company 's distillery segment produced 1631.05 lakhs BL of industrial alcohol during the year as compared to 1705.64 lakhs BL during the previous year. Lower production was attributable to lower cane availability which in turn led to lower molasses for distillation. During the year the Company expanded the distillery capacity at Gularia from 160 KLPD to 200 KLPD. In addition, the Company was able to run its distilleries at optimum capacity owing to zero liquid discharge status at all its distilleries. In its endeavor to produce ethanol from B-heavy molasses route by diverting more cane for the same, the Company produced 1329.54 lakhs BL of Ethanol out of B-heavy molasses during the year as compared to 1017.73 lakhs BL in previous year.

Ethanol sales during the year produced from B-heavy molasses stood at 1459.48 lakhs BL at an average realisation of ₹58.13 per BL as compared to 958.54 lakhs BL at an average realisation of ₹55.53 per BL in previous year. Ethanol sales from molasses produced from C-heavy route stood at 109.98 lakhs BL at an average realisation of ₹45.96 per BL as compared to 494.50 lakhs BL at an average realisation of ₹43.92 per BL in previous year. Ethanol sales from molasses produced from C-heavy route was lower in the current year as the Company chose to produce and sale Ethanol produced from B-heavy molasses route with an intent to sacrifice higher quantity of sugar. Blended realisation for total industrial alcohol (including ENA) sales stood at ₹53.38 per BL as compared to ₹48.35 per BL in previous year.

Cogeneration

Company no longer sees cogeneration as a separate segment. Cogen/incineration divisions have been merged with sugar/ distillery based on their operational matrix. This was done as the basic purpose of these were to meet the captive requirements and the surplus power generated was exported to the state electricity grid.

From an operational perspective, power generated during the year stood at 7271.56 lakhs units as compared to 8065.31 lakhs units in previous year, a decrease of 9.8% as the Company decided to sell more bagasse outside than to use it to generate power in view of lowering of power tariff by UPERC. Power exported to Uttar Pradesh Power Corporation Limited stood at 3493.25 lakhs units as against 4262.54 lakhs units in previous year, a decrease of 18.1%. Average realisation for the year stood at ₹3.30 per unit as compared to ₹3.17 per unit in previous year. The matter of reduction in tariff by UPERC is under litigation and is pending at Hon'ble High Court Allahabad.

Others

The Company also manufactures Granular Potash Fertilizer, Bio-Zyme and Bio-Pesticides for the healthy and salubrious growth of sugarcane and also provide soil health cards to the farmers by analysing the soil samples of the farmers. It produces mainly three products namely Granular Potash, Jaiv-Shakti and Paudh-Shakti. These products provide strength to sustain under the draught conditions, increases metabolism and root development. The Company sells these products to farmers at subsidised rates and to the Indian fertilizer giant, India Farmers Fertilizer Cooperative Limited (IFFCO). Revenues during the year stood at ₹1944.99 lakhs as compared to ₹2179.34 lakhs in previous year.

A detailed analysis of the Company's operations, expectations and business environment has been provided in the Management Discussion and Analysis section, which forms a part of this Report.

Subsidiary and Associate Companies

As on 31st March, 2022, the Company has one Associate Company, namely, Auxilo Finserve Private Limited (AFPL). The Company holds 44.36% of share capital in AFPL as on 31st March, 2022 as compared to 45.05% as on 31st March, 2021. The percentage holding has changed due to the issuance of equity shares by AFPL under the Employee Stock Option Scheme and conversion of Optionally Convertible Preference Shares to Equity Shares. AFPL is a Systemically Important Non-Deposit Accepting NBFC registered with Reserve Bank of India (RBI). The main objective of AFPL is to originate, provide and service loans to students pursuing education and provide ancillary services in relation to the said business activity and provide infrastructure or working capital loan to educational institutions.

During the Financial Year 2021-22, AFPL has earned revenue of ₹8719.23 Lakhs as compared to ₹7509.91 Lakhs for the previous Financial Year and profit after tax of ₹1256.79 Lakhs as compared to ₹962.23 Lakhs for the previous Financial Year. AFPL has registered growth of 16.10% and 30.61% in revenue and profit after tax over the previous Financial Year, respectively.

During the year under review, the Board of Directors of Visual Percept Solar Projects Private Limited ("VPSPPL") at their meeting held on 20th December, 2021 had declared an Interim Dividend of ₹19/- per equity shares. Accordingly, the Company had received ₹1491.98 lakhs towards interim dividend from VPSPPL.

Further, during the year under review, the Company had signed a Share Purchase Agreement (SPA), dated 10th February, 2022 with Torrent Power Limited, Blue Daimond Properties Private Limited ("BDPPL"/other shareholder holding balance 55% Equity Shares in VPSPPL) and Visual Percept Solar Projects Private Limited ("VPSPPL/Associate Company") to sale and transfer the entire stake held by the Company (holding 45% Equity Shares in VPSPPL) to Torrent Power Limited. Subsequently, 7852500 Equity Shares of ₹10/- each held by the Company were transferred to Torrent Power Limited on 15th February, 2022 at an agreed consideration of ₹7317.71 Lakhs. Upon completion of the transfer formalities, VPSPPL ceased to be an Associate Company of the Company with effect from 15th February, 2022.

Consolidated Financial Statements

In compliance with the provisions of the Companies Act, 2013 (as amended) (the "Act") and implementation requirements of the Indian Accounting Standards Rules on accounting and disclosure requirements, as applicable, and as prescribed under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "Listing Regulations"), the Audited Consolidated Financial Statements form part of this Annual Report.

Pursuant to Section 129(3) of the Act, a statement in Form AOC-1 containing the salient features of the financial statements of the Company's Associate Companies are also provided in this Annual Report.

The audited financial statements of the Company including the consolidated financial statements and related information of the Company are available on the website of the Company at www.chini.com. Since, the Company doesn't have any subsidiary, the requirement under Section 136 of the Act about separate financial statements does not apply to it.

Share Capital

During the year under review, the Board of Directors of the Company at its meeting held on 9th August, 2021, approved the buyback of equity shares, from the open market route through the stock exchanges, amounting to ₹215.25 crores (maximum buyback size, excluding buyback tax) at a price not exceeding ₹410 per share (maximum buyback price). The buyback was offered to all eligible equity shareholders of the Company (other than the Promoters / the Promoter Group of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on 17th August, 2021 and was completed on 21st October, 2021. During this buyback period, the Company had bought back 59,60,000 (Fifty Nine Lakhs Sixty Thousand) Equity Shares at an average price of ₹361.14 (Rupees Three Hundred Sixty One and Fourteen Paisa Only) per Equity Share. Accordingly, the Company had deployed ₹215.24 Crores for the buyback, which represents 99.99% of the Maximum Buyback Size.

Post the Buyback of 59,60,000 equity shares, the equity share capital of the Company stood at ₹2040.40 Lakhs consisting of 20,40,40,000 equity shares of ₹1 each as on 31st March, 2022.

Employee Stock Option Scheme

There are no outstanding stock options and no stock options were either issued or allotted during the year.

Credit Rating

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

Directors

Pursuant to the provisions of Section 152(6) of the Act, the members of the Company at the 45th Annual General Meeting (AGM) held on 13th September, 2021, re-appointed Dr. A. K. Saxena (DIN: 00846939) who was liable to retire by rotation.

Further, Ms. Mamta Binani (DIN: 00462925) who was appointed as an Additional Director under the category of Independent Director of the Company, with effect from 5th November, 2020 was appointed as an Independent Director of the Company for a term of five consecutive years beginning from 5th November, 2020 upto 4th November, 2025 by the members of the Company at the 45th AGM held on 13th September, 2021.

During the year under review, the Board of Directors of the Company (based on the recommendation of the Nomination & Remuneration Committee) at its meeting held on 2nd February, 2022 had re-appointed Mr. Vivek Saraogi as the Managing Director of the Company for a period of 5 years with effect from 1st April, 2022 to 31st March, 2027. The said re-appointment was approved by the Shareholders of the Company with overwhelming majority on 26th March, 2022 (i.e. last date for remote e-voting).

Further, based on the Recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on 24th May, 2022 approved the appointment of Mr. Vivek Saraogi as the Chairman and Managing Director of the Company. While considering the said appointment as the Chairman, the Board has considered the benefits of integrating the duties of Chairperson and Managing Director and also considered the leadership qualities, industrial achievements, skill set, career trajectory of Mr. Saraogi and also his incomparable know how of the Indian Sugar Industry and his recognition of the same in the Industry.

During the year under review none of the Directors of the Company are disqualified as per the applicable provisions of the Act.

Director retiring by rotation

Mr. Naresh Dayal (DIN: 03059141) retires from the Board by rotation and being eligible, and offers himself for re-appointment. The Board of Directors recommends the said re-appointment. Resume and other information regarding aforementioned Director seeking re-appointment as required under Regulation 36 of the Listing Regulations and SS-2 on General Meetings shall be given in the Notice convening the ensuing AGM.

Changes in Board Composition

During the year under review, Mr. Sumit Mazumder has resigned as an Independent Director and Chairman of the Company with effect from closure of the business hours of 18th February 2022. Mr. Mazumder informed that his resignation was purely on account of personal reasons and to pursue areas of his interest / hobbies. Mr. Mazumder has also confirmed that there are no other material reasons attributable / connected with the Company for his resignation. The Board places on record its deep appreciation for the contributions of Mr. Mazumder during his tenure as an Independent Director and Chairman of the Company.

Other Information

Appointment of Directors is made in accordance with the Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

Other details pertaining to the Directors, their appointment / cessation, if any, during the year under review and their remuneration are given in the Corporate Governance Report annexed hereto and forming part of this Report.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 16(b) of the Listing Regulations. The Independent Directors have also confirmed that they have registered their names in the data bank of Independent Directors as being maintained by Indian Institute of Corporate Affairs (IICA) in terms of the Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended).

The Board of Directors confirm that the Independent Directors appointed during the year also meet the criteria of expertise, experience and integrity in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

Separate Meeting of Independent Directors

Details of the separate meeting of Independent Directors held in terms of Schedule IV of the Act and Regulation 25(3) of the Listing Regulations are given in the Corporate Governance Report.

Directors' Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act and Regulation 18 of the Listing Regulations in the preparation of the annual accounts for the year ended 31st March, 2022 and state that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the

Company and for preventing and detecting fraud and other irregularities;

iv. The Directors have prepared the annual accounts on a going concern basis;

v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in Annexure I enclosed hereto and forms part of this report. In accordance with the provisions of the aforementioned section, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid rules form part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company, excluding the aforesaid information. Any Member, who is interested in obtaining these particulars, may write to the Company Secretary.

Prevention of Sexual Harassment

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy viz., Policy on Prevention of Sexual Harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). The Company is also in compliance with the provisions of the POSH Act, with respect to the constitution of Internal Committee. During the year under review, no complaint/case was filed or was pending for redressal.

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

The particulars relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act are given in Annexure – II attached hereto and forms part of this Report.

Deposits

The Company has not accepted any deposit from the public and consequently, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

Key Managerial Personnel

During the year under review, pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel (KMPs) of the Company are Mr. Vivek Saraogi, Chairman and Managing Director, Mr. Pramod Patwari, Chief Financial Officer and Mr. Manoj Agarwal, Company Secretary. During the year, there has been no change in the Key Managerial Personnel of the Company.

Details pertaining to the remuneration of KMPs employed during the year have been provided in the Annual Return.

Board Meetings

The Board met 7 (seven) times during the Financial Year under review, the details of which are given in the Corporate Governance Report attached to this Report.

Committees of the Board

Pursuant to various requirements under the Act and the Listing Regulations, the Board of Directors has constituted/ reconstituted (whenever necessitated) various committees such as Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Executive Committee. The details of composition, terms of reference, etc., pertaining to these committees are mentioned in the Corporate Governance Report. Further the Independent Directors in their Meeting held on 21st May, 2022 decided that an ESG Committee should also be constituted for focused attention on ESG matters. The same is presently being constituted.

Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards, i.e., SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

Audit Committee

All recommendations made by the Audit Committee during the year were accepted by the Board.

Vigil Mechanism / Whistle–Blower Policy

The Company has in place a Vigil Mechanism / Whistle–Blower Policy to deal with unethical behavior, victimisation, fraud and other grievances or concerns, if any. The aforementioned whistleblower policy is available on the Company's website at the following web-link:

https://chini.com/sustainability/governance/policies/

Policy on Selection and Remuneration of Directors

The Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity is annexed as Annexure – III.

Board Evaluation

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out the evaluation of its own performance and that of its Committees as well as evaluation of performance of the individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report attached to this Report.

Corporate Social Responsibility

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), the Company has a Corporate Social Responsibility ("CSR") Committee. The details of composition and meetings held during the year of the Committee are mentioned in the Corporate Governance Report.

The CSR activities of the Company are focused on Sustainable Livelihood, Education including skill development for women empowerment, Healthcare, Sanitation & safe drinking water; Rural Development; Environment Sustainability and Disaster Management. The Company had spent an excess of ₹101.61 Lakhs in 2020-21 and the same was available for set off. Accordingly, the Company in line with the CSR commitment has spent ₹1119.67 Lakhs towards the CSR interventions and utilised ₹16.09 Lakhs from the amount available for set off to meet the mandatory CSR obligation of ₹1135.76 lakhs. After adjustment of the amount of ₹16.09 Lakhs, an amount of ₹85.52 Lakhs is available for set off till Financial Year 2023-24.

The CSR Policy of the Company as approved by the Board can be accessed on the Company's website at the following web-link: https://chini.com/sustainability/governance/policies/

Brief details of some of the CSR projects undertaken by the Company are given below:

Nayi Ummeed Project

The Company through Balrampur Foundation aims to improve the quality of life for the rural community in Uttar Pradesh through a holistic approach that touches all aspects of their daily lives under its Nayi Ummeed initiatives. Its CSR interventions are not limited to aid and funding; it aims to empower the rural community with the right knowledge, potent tools & technology, best health care services, standardised education and improved rural infrastructure. As per the Impact Assessment study conducted by an independent agency, the Company has been able to achieve impressive results and create a meaningful and needful impact in the community.

Disaster Management (Covid -19)

During the year under review the Company has installed two (2) Oxygen Generation Plants in district hospitals of Balrampur and Barabanki located in Uttar Pradesh. Further, during these Covid times, the Company through its CSR interventions took special care of the health and wellbeing of the community by providing ambulances at ten locations for ferrying patients from remote areas, improving infrastructure of hospitals, carrying out sanitisation drive in public areas and government offices, distributing essential items and by supporting organisations which were carrying out such benevolent activities.

Keep your city clean project

Since cleanliness is the foundation of hygiene and is also the panacea for Covid and other illness, the Company embarked on a Keep your city clean project. Under the programme, the Company placed waste (litter) bins in strategic places of Kolkata, so that litter (waste) could be thrown in designated bins (36000 Kgs waste collected during the year). The staff employed by the vendor for cleaning and maintaining the bins were rag pickers and street urchins who were trained and equipped with proper gear and provided decent employment opportunities. Also, the entire waste collection process is done with the help of e-vehicles and all bins are geotagged.

Mobile Science Lab Project

The Company in association with Agastya International Foundation is running four mobile science labs in the four districts of Uttar Pradesh i.e. Balrampur, Barabanki, Lakhimpur Kheri & Gonda. The aforesaid labs visit the government schools as a travelling laboratory for hands-on activities of Science and facilitate the learning of students. The initiative aims at encouraging the students to inculcate an experiential learning environment and empowering government school educators to design creative ways to nurture the budding scientists. During the Covid times, learning methods were evolved and digital training was also provided so that children do not lose out on their training part. Principal and students of various schools are very happy with the initiative.

Impact Assessment

The Board of Directors of the Company has voluntarily appointed an independent impact assessment agency viz. Third Planet Foundation to carry out the Impact Assessment of the societal activities carried out by the Company under its Corporate Social Responsibility interventions. As per the Impact Assessment Report issued by Third Planet Foundation in May, 2022, the CSR interventions of the Company have created a meaningful and needful impact in the community and most of the thematic areas have shown satisfactory, outcomes and impact across the locations. The CSR Committee and the Board of Directors of the Company took a note of the same at their meetings held on 21st May, 2022 and 24th May, 2022, respectively. The Impact assessment Report is available on the Company's website at the following web-link: https://chini.com/sustainability/social/

The details of the CSR initiatives undertaken by the Company during the Financial Year 2021-22 are outlined in the Annual Report on CSR activities which along with CSR Policy is attached as Annexure IV.

Inter-corporate Loans and Investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements forming part of this Annual Report.

Related Party Transactions

During the Financial Year ended 31st March, 2022, all transactions with the Related Parties as defined under the Act read with Rules framed thereunder, were in the ordinary course of business and at arm's length basis. During the year under review, your Company did not enter into any Related Party Transaction which requires approval of the Members. There have been no materially significant related party transactions made by the Company with the Promoters, the Directors or the Key Managerial Personnel which may be in conflict with the interests of the Company at large.

Since all related party transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis, therefore, details required to be provided in the prescribed Form AOC - 2 is not applicable to the Company. During the year the Board has reviewed and amended the Policy on Related Party Transactions. The Policy as approved by the Board can be accessed on the Company's website at following web-link:
https://chini.com/sustainability/governance/policies/

The details of the related party transactions are set out in the notes to the financial statements.

Risk Management Framework and Policy

The policy on risk assessment and minimisation procedures as laid down by the Board are periodically reviewed by the Risk Management Committee, Audit Committee and the Board. The policy facilitates identification of risks at appropriate time and ensures necessary steps to be taken to mitigate the risks. Brief details of risks and concerns are given in the Corporate Governance Report and Management Discussion and Analysis Report. During the year, the Board reviewed and amended the Risk Management Framework and Policy and the same is hosted on the website of the Company.

Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft Annual Return of the Company for the Financial Year 31st March, 2022 is uploaded on the website of the Company and can be accessed at https://chini.com/investors/financials/

Material Changes and Commitments

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the Financial Year i.e. 31st March, 2022 and on the date of this Report. The impact of COVID-19 pandemic has not been material on the financial performance of the Company.

Significant and Material Orders

There are no significant/ material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations. During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated, by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended). Further, no application / proceeding by / against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on 31st March, 2022.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to the financial statements. During the year, such controls were reviewed and no reportable material weakness was observed.

Corporate Governance

In terms of the provisions of Regulation 34(3) of the Listing Regulations, the Corporate Governance Report and the Certificate on the compliance of conditions of Corporate Governance form part of the Annual Report and are given separately as Annexure – V and the Management Discussion and Analysis is given in Page no. 106 of the Annual Report.

Business Responsibility Report / Business Responsibility and Sustainability Report

Regulation 34(2) of the Listing Regulations, inter alia, provides that the annual reports of the top 1000 listed entities based on market capitalisation (calculated as on 31st March of every financial year), shall include a Business Responsibility Report. Since the Company is one of the top 1000 listed entities, it has presented its Fifth Business Responsibility Report for the Financial Year 2021-22, as Annexure – VI to this Report. Further in the initial section of the Annual Report, the Company has given an ESG Report which voluntarily discloses some of the information required as per the Business Responsibility and Sustainability Report on best effort basis.

Auditors

Statutory Auditors and their Audit Report

M/s. Lodha & Co, Chartered Accountants (Firm Registration No. 301051E), were appointed as Statutory Auditors of the Company at the 41st AGM of the Company held on 30th August, 2017, to hold office till the conclusion of the ensuing 46th AGM. Hence, M/s. Lodha & Co, Chartered Accountants are eligible to be re-appointed for a further term of 5 (five) years, in terms of provisions of Sections 139 and 141 of the Act. Accordingly, the Board of Directors of the Company at their meeting held on 24th May, 2022, based on the recommendation of the Audit Committee and subject to the approval of the shareholders of the Company at the ensuing AGM, have approved the re-appointment of M/s. Lodha & Co, Chartered Accountants, as the Statutory Auditors, for a further period of 5 (five) years i.e. from the conclusion of the 46th AGM till the conclusion of 51st AGM of the Company.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules issued thereunder, from M/s. Lodha & Co, Chartered Accountants. They have confirmed to hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

The Audit Committee and Board of Directors of the Company had considered various factors such as independence, credentials, technical skills and audit team, etc. while considering the re-appointment of the M/s. Lodha & Co, Chartered Accountants as the Statutory Auditors of the Company.

The reports given by the Auditors, M/s. Lodha & Co, Chartered Accountants on the standalone and consolidated financial statements of the Company for the year ended 31st March, 2022 form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports.

The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

Secretarial Auditors and their Audit Report

Pursuant to the provisions of Section 204 of the Act, the Company has appointed M/s. MKB & Associates, Company Secretaries (Mr. Manoj Kumar Banthia, Partner), to undertake the secretarial audit of the Company for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year 2021-22 is attached as Annexure - VII and forms part of this Report. The contents of the said Audit Report are self- explanatory and do not call for any further comments by the Board. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors and their Audit Report

During the year under review, pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the Board has appointed M/s. Mani & Co., Cost Accountants, to conduct cost audit of the cost records maintained by the Company relating to sugar (including industrial alcohol) and electricity for the financial year ended 31st March, 2022.

On the date of this Report, your Directors have, on the recommendation of the Audit Committee, appointed M/s. Mani & Co., Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2022-23. As required under the Act, a resolution seeking ratification of the remuneration payable to the Cost Auditors shall form part of the Notice convening the ensuing AGM.

Annexures forming part of this Report

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form part of this Report:

Annexure	Particulars
I	Particulars of Employees
II	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
III	Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity
IV	Annual Report on CSR activities and CSR Policy
V	Corporate Governance Report
VI	Business Responsibility Report
VII	Secretarial Audit Report

Appreciation

Your Directors take this opportunity to thank all the stakeholders including the Central Government, the Government of Uttar Pradesh, shareholders, farmers, customers, dealers, State Bank of India, HDFC Bank, ICICI Bank Limited, Kotak Mahindra Bank, Bank of Baroda, other banks and financial institutions and all other business associates & vendors for their excellent support. Your Directors also wish to place on record their deep appreciation for the committed services by your Company's employees.

For and on behalf of the Board of Directors

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN – 00846939

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN – 00221419

Date: 24th May, 2022
Place: Kolkata

Annexure I to the Board's Report

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 (AS AMENDED)

I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2022-22:

Name	Designation	Ratio
Mr. Vivek Saraogi	Chairman and Managing Director	212:1
Dr. A. K. Saxena	Whole-time Director	12:1

II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the Financial Year 2021-22:

Name	Designation	% increase in remuneration
Mr. Vivek Saraogi	Chairman and Managing Director	-0.87
Dr. A. K. Saxena	Whole-time Director	13.46
Mr. Pramod Patwari	Chief Financial Officer	14.17#
Mr. Manoj Agarwal	Company Secretary	13.33

Excluding one time incentive.

III. The percentage increase in the median remuneration of employees in the financial year 2021-22:

The median remuneration of the employees increased by 4.79% in the financial year 2021-22.

IV. The number of permanent employees on the rolls of the Company:

There were 6350 number of permanent employees on the rolls of the Company as on 31st March, 2022.

V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year : 9.12%

Percentile increase in the managerial remuneration: 6.30%

Justification – Remuneration paid to the managerial personnel are as per recommendation of the Nomination & Remuneration Committee and as approved by the Board and the Shareholders of the Company. There is no exceptional increase in the managerial remuneration and the same is less than the increase in the salaries of employees other than managerial personnel and therefore no justification is required.

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

It is hereby affirmed that the remuneration paid during the year 2021-22 is as per the Remuneration Policy of the Company.

Notes:

1. The Non-Executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the shareholders of the Company. The details of remuneration of Non-Executive Directors are provided in the Report on Corporate Governance and is governed by the Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity of the Company, as provided in the Annual Report. In view of this, the calculation of the ratio of remuneration and percentage increase in remuneration of Non-Executive Directors would not be meaningful and hence not provided.
2. Permanent employees on the rolls of the Company includes Permanent and Seasonal Permanent employees but does not include Badli Workers, Retainers, Advisors, etc.

For and on behalf of the Board of Directors

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN – 00846939

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN – 00221419

Date: 24th May, 2022
Place: Kolkata

Annexure II to the Board's Report

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014.

A. Conservation of Energy

a) The steps taken or impact on conservation of energy

The Company has taken various steps towards conservation of energy in its Units. Details of steps taken are listed below:

i. New bagasse feeding system has been installed for reducing energy consumption at Maizapur Unit.

ii. LED lights are being installed on a continuous basis in place of SVL/MBL/CFL.

iii. DCS is installed for optimum utility and smooth running of units.

iv. Installation of solar lights in the cane purchase centres.

v. Variable Frequency Drive (VFDs) is being added in the system in all the Units for reduction of electrical energy consumption.

vi. 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.

vii. Gradual replacement of inefficient geared pumps with screw pumps / high flow pumps for electrical energy efficiency.

viii. Installation of pneumatic plough only in A-Centrifugal all machine for increasing efficiency cycle resulting in steam saving.

ix. Installation of auto feed control valve (IRIS) on continuous centrifugal machines.

x. Batch Pan Automation installed to save steam, manpower, water and for improving the quality of Sugar.

xi. Installation of auto feed AI base software on batch centrifugal machines

The impact of above measures are expected to reduce the consumption of fuel and power substantially and consequently the cost of production.

b) The steps taken by the Company for utilising alternate sources of energy:

The focal point of the Company's operating policy is an integration through which the by-product of one process serves as raw material for another. The Company produces green power as it uses its waste product (bagasse) as raw material instead of using fossil fuels which is harmful for the environment. The Renewable power produced by the Company is used for captive use and is also sold to the Grid. Further biogas generated from CPU digester is being utilized as a fuel for drying Potash Granules in Granulation.

c) The capital investment on energy conservation equipments during the Financial Year 2021-22 was ₹528.84 Lakhs.

B. Technology absorption

i. The Company carried on following sugarcane development activities during the financial year 2021-22:

- Mobile App developed for educating and disseminating important information to farmers.
- Tissue Culture Lab for developing variety of Cane Seeds.
- Moist heat therapy to eradicate seed borne diseases
- Biological control laboratory for sugarcane pest management as a measure to protect cane from diseases.
- Use of moist Hot Air, Hot Water and Sett Treatment Machine to eradicate seed borne inoculum of red rot, smut, GSD disease etc.;
- Soil testing laboratory including analysis of micronutrients and providing soil health card to growers for correct nutrient recommendation as per requirement of the soil;
- Popularizing ratoon management;
- Popularizing use of trash mulcher to mix the trash in soil for quick decomposition in soil, which will improve the soil health.

ii. Due to above efforts, it is expected that higher yield of disease free cane will be available to the Company, resulting in higher returns to the Company and the cane growers. Multi cropping also helps farmers to get more returns.

iii. The Company has not imported any technology.

iv. Expenditure incurred on Research & Development: Nil.

C. Foreign Exchange Earnings and outgo

	2021-22	2020-21
Foreign Exchange earned in terms of actual inflows	Nil	Nil
Foreign Exchange outgo in terms of actual outflows	₹227.95 Lakhs	₹125.76 Lakhs

For and on behalf of the Board of Directors

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN – 00846939

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN – 00221419

Date: 24th May, 2022
Place: Kolkata

Annexure III to the Board's Report

POLICY ON SELECTION & REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES AND ON BOARD DIVERSITY

1. Preamble

Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Part – D of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also mandates the Nomination and Remuneration Committee to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. It further requires the Nomination and Remuneration Committee to devise a policy on diversity of the Board of Directors of the listed entity.

This Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity ("**Policy**") is designed to (i) attract, motivate and retain talented employees in the competitive market, (ii) motivate employees to excel in their performance, recognise their contribution, (iii) retain talent in the organisation, reward merit and protect organisational stability & flexibility and (iv) lay down the criteria for selection of directors in the Board and persons in the senior management to assist the Board of Directors in performing its duties. This Policy will also ensure constitution of the Board with optimum combination of Executive and Non-Executive Directors including Independent Directors who possess diverse experience and expertise in strategic management, governance and provide long term vision and direction to the Company.

However, the Board should act according to its obligations under the specific facts and circumstances it faces.

The Board of Directors ("the Board") of Balrampur Chini Mills Limited ("the Company") at their meeting held on August 11, 2016 has adapted this Policy and was effective from September 1, 2016. Further, the Board approved the amended the Policy at its meeting held on 24th May, 2022 and the amended policy shall be effective from 24th May, 2022.

This Policy applies to the Company's Directors, Key Managerial Personnel and other employees.

2. Objectives

This Policy is formulated with the following objectives:

(i) To set the criteria for determining qualifications, positive attributes and independence of a Director.

(ii) To have a diverse Board, with people from diverse areas of expertise and experience.

(iii) To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and employees of the quality required to run the Company successfully.

(iv) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

(v) To ensure that the remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

(vi) To attract, recruit, motivate and retain desired talent.

However, exceptional occasions may arise where it is appropriate to act differently than set out in this Policy due to some extra-ordinary talent of any candidate and due to outstanding performance.

3. Definitions and Interpretations

"**Act**" shall mean the Companies Act, 2013 (as amended) along with the rules made thereunder.

"**Committee**" means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company.

"Key Managerial Personnel" or "KMP" means personnel as defined under the Companies Act, 2013.

"Listing Regulations" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Senior Management", "Senior Management Personnel" or "Senior Executives" means officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/ manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

4. Policy for selection and appointment of the Board Members Board Membership Criteria & Diversity

The Board of Directors should be composed of individuals who have demonstrated significant achievements in business, education, individual profession and/or public service. They should have requisite expertise, education and experience to make a significant contribution to the deliberations of the Board of Directors in light of the Company's business. In addition, the Board shall have atleast one woman director.

The Committee may review the appropriate skills and characteristics of Board members in the context of the current structure of the Board. This assessment should include issues of diversity, age, business, qualifications, ethics & integrity, willingness to participate in Board matters and other criteria that the Committee and Board find to be relevant at that point of time. A variety and balance of skills, background and experience is desirable.

The composition of the Board shall meet the conditions prescribed under the Act and the Listing Regulations. Proposed appointees shall possess the Director Identification Number and meet the criteria as laid down in the Act and the Listing Regulations.

Attributes

The overall ability and experience of individual Board candidate should determine their suitability. The following attributes may be considered as desirable in any candidate for the Board:

- **Experience** - A Board candidate should have extensive experience in business, administration, profession, governance and/or public service. An ideal Board candidate may have had experience in more than one of these areas.
- **Education** - Ideally, it is desirable that a Board candidate should hold degree from a respected college or university. In some cases, it is further desirable for the candidate also to have earned a masters or acumen in governance & administration. However, these educational criteria are not meant to exclude an exceptional candidate who does not meet these educational criteria.
- **Personal** - A Board candidate should be of the highest moral and ethical character. The candidate should exhibit independence, objectivity and be capable of serving as a representative of the stakeholder.
- **Individual Characteristics** - A Board candidate should have the personal qualities to be able to make a substantial active contribution to the Board deliberations. These qualities include intelligence, self-assuredness, high ethical standard, inter-personal skills, independence, judgmental, courage, a willingness to ask the difficult question, communication skills and commitment.
- **Availability** - A Board candidate must be willing to commit, as well as have, sufficient time available to discharge the duties of the Board membership. The candidate should not have any prohibited interlocking relationships.
- **Compatibility** - A Board candidate should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the Senior Management of the Company.
- **Compliance** - A Candidate should meet the compliance requirements prescribed under the Act, the Listing Regulations and other Rules & Regulations or standards set out by the Company.

Predominance of Independent Directors

Independence promotes integrity, accountability and governance. The Board shall comprise of requisite number of independent directors as prescribed under the law.

Not less than requisite number of directors shall be independent directors who meet the criteria for independence as required under the Act, the Listing Regulations and other prescribed Rules & Regulations applicable to the Company. Besides, the Board will consider all relevant facts and circumstances in making a determination of independence.

Selection and Orientation of New Directors

The Committee shall identify candidates for the Board and recommend them for appointment by Board and subsequently for approval by the shareholders as prescribed under the law. The Board delegates the screening process to the Committee with direct input from the Chairman of the Board or the Managing Director or any other Committee as may deem appropriate. The Senior Management, working in conjunction with the Committee, shall develop an appropriate familiarisation program for new directors that include background briefings, meetings with the Senior Management and visits to Company facilities etc.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.

The person recommended for such role shall meet the description.

For the purpose of identifying suitable candidates, the Committee may;

1. use the services of an external agencies, if required
2. consider candidates from a wide range of backgrounds, having due regard to diversity and
3. consider the time commitments of the candidates

Assessing Performance of Board and Committees

The Committee shall formulate criteria for effective evaluation of performance of the Board, its Committees and individual directors. The performance evaluation of Independent directors shall be done by the entire Board of Directors, excluding the directors being evaluated. The Independent directors in their meeting shall review the performance of non-independent directors and the Board as a whole. While assessing the performance, the Board or the Committee shall take into account attendance of directors in the Board and Committee meetings, performance of the business, accomplishment of long-term strategic objectives & their participation, role & functioning of various committees, compliance and other matter as they may think fit. The purpose of the assessment is to increase the effectiveness of the Board.

5. Selection and nomination of Senior Management including KMP

Criteria for selection of directors shall also apply for selection of executives in the Senior Management. Where appointment or performance of any KMP requires specific qualification or degree, the person should also possess the same. Keeping self-up-to-date for performing duties, on issues and emerging trends is an important part of responsibilities. KMP must take reasonable steps to remain current in professional development, corporate governance and discharging duties & responsibilities.

The KMP shall meet the conditions prescribed under the Act and other Rules & Regulations as may be applicable. Appointment of KMPs shall be recommended by the NRC and approved by the Board.

The Committee may issue necessary guidelines for appointment, promotion, removal or any other matter w.r.t. the employment of any Senior Management Personnel.

The information on recruitment and remuneration of senior officers just below the level of the Board shall be presented to the Board.

6. Compensation Structure Principles of Remuneration

This Policy reflects the balance between the interests of the stakeholders of the Company as well as a balance between the Company's short-term and long-term strategy. As a result, the structure of the remuneration package for the Executive Directors and the Senior Management Personnel are designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company. The Company strives for high performance in the field of sustainability and aims to maintain a good balance between economic gains, respect for people and concern for the environment in line with the values of the Company and business principles to ensure that highly skilled and qualified personnel can be attracted and retained. The Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size and complexity. The Company shall strive to be an equal opportunity employer.

The following elements shall be considered for payment of remuneration to Executive Directors, Senior Management Personnel and other employees :

Industry Average, Remuneration drawn by peers considering nature and volume of responsibilities, Qualification, Experience, Immediate previous position held in earlier organization & responsibilities occupied, responsibilities shouldered in the Company, contribution made within the organisation, any achievement, reward or recognition, behavioural patterns, work ethics, evaluation of performance etc.

Remuneration to Executive Directors & Non-Executive Directors

The Executive Directors shall be eligible for a monthly remuneration consisting of salary, perquisites and annual performance linked incentive, as may be approved by the Board of Directors, based on the recommendations of the Committee, provided the same are in accordance with the statutory provisions of the Act, the rules made thereunder, for the time being in force and subject to the limits/ scale approved by the Shareholders.

The Non-Executive Directors (including Independent Directors) shall be entitled to receive sitting fees for attending each meeting of the Board of Directors and the committees thereof. The fees paid to the Non-Executive Directors for attending meetings shall be such as may be determined by the Board within the limits prescribed under the Act. Beside the sitting fees, they are also entitled to reimbursement of expenses for participation in meetings of the Board /

Committee / Shareholders and payment of commission on net profits.

Any review of the remuneration to Executive Directors and Non-executive Directors shall be on the basis of performance evaluation of directors and as per recommendation of the Committee.

Payment of commission & sitting fees to Non-Executive Directors shall be subject to the provisions of the Act including prescribed rules & schedules thereunder and the Listing Regulations.

Remuneration to Senior Management (including KMP) and other employees

In order to attract and retain managerial expertise, the elements of the remuneration of the Senior Management are determined on the basis of the work they do and the value they create as well as of the conditions in other similar companies. Each element of the remuneration has been weighted in order to ensure a continuous positive development of the Company both in the short and long-term as well as of the employees to enhance productivity.

Any remuneration in whatever form payable to Senior Management Personnel of the Company shall be recommended by the Committee to the Board for its approval.

Remuneration of employees largely consists of base remuneration, perquisites, performance linked incentive, bonus, exgratia, etc. The components of the total remuneration vary for different cadres/grades are governed by industry pattern, qualification and experience of the employee, responsibilities handled by him, individual performance, among others. Employees/workers may be granted advance/loan with or without interest in case of genuine needs like- Medical, education, housing, marriage or for any other genuine purpose, subject to in conformity with the applicable laws and regulations as amended from time to time. The remuneration to employees/workers shall also comply with the applicable regulations and policies of the respective governments. As the factories of the Company are situated in the State of Uttar Pradesh, the remuneration to employees/workers (other than Senior Management) shall also be in compliance with the policies of the U.P. Govt. including Wage Board.

However, the Company may give compensation in the form of reward or incentive to any employee for his outstanding or extraordinary performance, which is over and above the benchmark set for him during any year.

Annual appraisal of performance of Senior Executives and other employees shall be done by the respective reporting authority/ head of the department in association with HR Department. Based on such performance evaluation any increase in remuneration shall be considered.

Long Term Incentive Employee Stock Option Scheme

The Company may put in place an Employees Stock Option Scheme for the Executive Director(s) and employees of the Company with the objective of aligning interests of the executive management and key employees with the long-term goals of the Company and its shareholders and also to attract and retain talent to align the interest of employees with those creating sustainable value for all stakeholders

7. Supplementary Provisions

The Committee may review this Policy periodically and suggest revisions in this Policy to the Board to ensure this Policy serves its purpose and accurately reflects the sense of the Board and the Company.

Annexure IV to the Board's Report

THE ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31ST MARCH, 2022

1. Brief outline on CSR Policy of the Company.

BCML's Vision for CSR is "to contribute for bringing social and economic change to the underprivileged sections of the society in an equitable and sustainable manner and to contribute for livelihood enhancement initiatives for the weaker sections of the society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India."

The scope of activities which, the Company undertakes towards fulfilment of its CSR is in line with Schedule VII of the Act. The Company focuses on the following key areas for its CSR Activities:

- Livelihood enhancement and poverty alleviation;
- Education including skill development for empowerment of women and others;
- Healthcare, sanitation & safe drinking water;
- Rural development and transformation;
- Environment sustainability & climate change;
- Disaster management.

Besides, the CSR Activities of the Company shall be such activities as permissible under Schedule VII of the Act.

Subject to the provisions of the Act, the Company will undertake the CSR Activities either (i) directly and/ or (ii) through Implementing Agencies as defined in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

2. Composition of CSR Committee.

Sl. 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.	Mr. Naresh Dayal	Non-Executive Non Independent Director, Chairperson	2	2
2.	Ms. Veena Hingarh	Non-Executive - Independent Director, Member	2	2
3.	Mr. Vivek Saraogi	Chairman and Managing Director, Member	2	2
4.	Mr. Sumit Mazumder*	Non-Executive - Independent Director, Member	2	2

* Mr. Sumit Mazumder ceased to be the Member of the Committee w.e.f. 18th February, 2022 owing to his resignation from the Directorship of the Company.

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.

Web-link for Composition of CSR committee	https://chini.com/management/#committee
CSR Policy	https://chini.com/sustainability/governance/policies/
CSR projects approved by the board	https://chini.com/sustainability/governance/policies/

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

Although not mandatory, the Board of Directors of the Company has appointed an independent impact assessment agency viz. Third Planet Foundation to carry out the Impact Assessment of the CSR interventions of the Company. As per the Impact Assessment Report issued by Third Planet Foundation in May, 2022, the CSR interventions of the Company have created a very meaningful and needful impact in the community and all the thematic areas have shown growth, outcomes and impact across all the location. The CSR Committee and the Board of Directors of the Company took note of the same at their meetings held on 21st May, 2022 and 24th May, 2022 respectively. The Impact assessment Report is available on the Company's website at the following web-link: https://chini.com/sustainability/social/

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

(₹ in Lakhs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set- off for the financial year, if any
1	2021-22	101.61	16.09
2	2022-23	85.52	-
3	2023-24	85.52	-

6. Average net profit of the company as per section 135(5): ₹56788.03 Lakhs

7.

a.	Two percent of average net profit of the company as per section 135(5)	₹1135.76 Lakhs
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
c.	Amount required to be set off for the financial year, if any	₹16.09 Lakhs
d.	Total CSR obligation for the financial year (7a+7b- 7c).	₹1119.67 Lakhs

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

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	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
₹1119.67	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State.	District.						Name	CSR Registration number

Not Applicable

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (₹ in Lakhs)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1.	WaSH (Water, Sanitation & Hygiene) Project	(i) Promoting health care including preventive health care and sanitation and making available safe drinking water	Yes	Uttar Pradesh	Balrampur, Ambedkarnagar, Lakhimpur Kheri, Gonda, Barabanki and Ayodhya	78.62	No	Balrampur Foundation	CSR00001874
2.	Healthcare initiatives		Yes			112.17	No	Balrampur Foundation	CSR00001874
			Yes	West Bengal	Kolkata	1.01	Yes		
3.	Clean City Project		Yes	West Bengal	Kolkata	5.91	Yes		
4.	Skill Development Project	(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Yes	Uttar Pradesh	Gautam Buddh Nagar	29.95	No	National Skill Development Corporation	CSR00005903
5.	Mobile Science Lab Project		Yes	Uttar Pradesh	Lakhimpur Kheri, Gonda, Balrampur and Barabanki	3.67	No	Agastya International Foundation	CSR00003442
6.	Child Education Project		Yes	Uttar Pradesh	Mirzapur, Sonbhadra, Shamli and Varanasi	7.00	No	Tathagat Trust	CSR00015892
7.	Education Initiatives		No	Uttarakhand	Dehradun	7.00	No	Purkal Youth Development Society	CSR00001936
			Yes	West Bengal	Kolkata	1.00	Yes		
8.	Promoting Education, Including Special Education, Livelihood Enhancement Projects and Vocational Skills.		Yes	Uttar Pradesh	Balrampur, Ambedkarnagar, Lakhimpur Kheri, Gonda, Barabanki and Ayodhya	402.68	No	Balrampur Foundation	CSR00001874

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No)**	**Location of the project.**		**Amount spent for the project (₹ in Lakhs)**	**Mode of implementation – Direct (Yes/No)**	**Mode of implementation – Through implementing agency**	
				State	**District**			**Name**	**CSR registration number**
9.	Environmental sustainability and animal welfare	(iv) Ensuring environmental sustainability	Yes	Uttar Pradesh	Balrampur, Ambedkarnagar, Lakhimpur Kheri, Gonda, Barabanki and Ayodhya	138.03	No	Balrampur Foundation	CSR00001874
10.	Promotion of Rural Sports	(vii) Training to promote rural sports	Yes	Uttar Pradesh	Balrampur, Ambedkarnagar, Lakhimpur Kheri, Gonda, Barabanki and Ayodhya	9.15	No	Balrampur Foundation	CSR00001874
11.	Rural Development Projects	(x) Rural development projects	Yes	Uttar Pradesh	Balrampur, Ambedkarnagar, Lakhimpur Kheri, Gonda, Barabanki and Ayodhya	195.93	No	Balrampur Foundation	CSR00001874
12.	Support for Covid (including Oxygen Generating plants) and Yaas Cyclone	(xii) Disaster management, including relief, rehabilitation and reconstruction activities.	Yes	Uttar Pradesh	Balrampur, Ambedkarnagar, Lakhimpur Kheri, Gonda, Barabanki and Ayodhya	3.61	No	Balrampur Foundation	CSR00001874
			Yes	Uttar Pradesh	Balrampur and Barabanki	61.52	Yes		
			Yes	West Bengal	Kolkata	50.00	Yes		
			Yes	West Bengal	Kolkata	5.00	No	Kolkata Gives Foundation	CSR00005958
						1112.25		.	

Note: The interventions through Balrampur Foundation were under Nayi Ummeed Project.

d.	Amount spent in Administrative Overheads:	₹1.22 Lakhs
e.	Amount spent on Impact Assessment, if applicable:	₹6.20 Lakhs
f.	Total amount spent for the Financial Year (8b+8c+8d+8e):	₹1119.67 Lakhs

(g) 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)	₹1135.76
(ii)	Total amount spent for the Financial Year	₹1119.67*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

*The balance of ₹16.09 Lakhs for the Financial Year 2021-22 was adjusted with the brought forward excess spent from the last Financial Year 2020-21.

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial year (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	2020-21	Nil	N.A.	N.A.	Nil	N.A.	Nil
2.	2019-20	Nil	N.A.	N.A.	Nil	N.A.	Nil
3.	2018-19	Nil	N.A.	N.A.	Nil	N.A.	Nil
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project – Completed / Ongoing.
Not Applicable								

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

A.	Date of creation or acquisition of the capital asset(s).	14-07-2021	24-07-2021	22-03-2022	23-03-2022
B.	Amount of CSR spent for creation or acquisition of capital asset.	₹8.25 Lakhs	₹29.43 Lakhs	₹0.77 Lakhs	₹5.52 Lakhs
C.	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Balrampur Foundation, 504, Woodburn Central, 5th Floor, 5A, Bibhabati Bose Sarani, Kolkata – 700020.			
D.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	1 (One) Ambulance. Rauzagaon, Uttar Pradesh	2 (Two) Ambulance. Gularia and Maizapur, Uttar Pradesh	1 (One) Sprayer. Maizapur, Uttar Pradesh	1 (One) Trailer and Water Tanker Maizapur, Uttar Pradesh

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).:

The Company had spent an excess of ₹101.61 Lakhs in 2020-21 and the same was available for set off. Accordingly, the Company in line with the CSR commitment has spent ₹1119.67 Lakhs towards the CSR interventions and utilised ₹16.09 Lakhs from the amount available for set off to meet the mandatory CSR obligation of ₹1135.76 lakhs. After adjustment of the amount of ₹16.09 Lakhs, an amount of ₹85.52 Lakhs can be adjusted till Financial Year 2023-24.

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419
Place: Kolkata

Sd/-
Naresh Dayal
Chairperson - CSR Committee
DIN - 03059141
Place: Dhanaulti

Date: 24th May, 2022

CORPORATE SOCIAL RESPONSIBILITY POLICY

Philosophy

Corporate Social Responsibility ("CSR") is a kind of social responsibility integrated into a business model. CSR goes beyond compliance and engages in actions that further some social good, beyond the interests of the company and those which are required by law. CSR aims to embrace the responsibilities for the business actions and encourage a positive impact through its activities on the environment, communities, farmers and in general on the wellbeing of society at large.

At Balrampur Chini Mills Limited ("Company"), we are committed to economic, social, environmental and cultural growth of the underprivileged in an equitable and sustainable manner, primarily in the peripheral areas around our factories and corporate office. Over the years, the Company has worked for the enrichment of lives across these communities by creating sustainable livelihoods, promoting education, healthcare, sanitation, etc.

Our Vision for CSR is "to contribute for bringing social and economic change to the underprivileged sections of the society in an equitable and sustainable manner and to contribute for livelihood enhancement initiatives for the weaker sections of the society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India."

Legal Requirements

Pursuant to Section 135 of the Companies Act, 2013 (as amended) ("Act") read with the Companies (Corporate Social Responsibility) Rules, 2014, (as amended) ("CSR Rules") the Board of Directors ("Board") of the Company is required to formulate a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken as specified in Schedule VII of the Act and the expenditure to be incurred thereon. Additionally, the objective of this Policy is to provide an overall framework, principles and guidelines to the CSR Committee to conduct CSR activities in line with Section 135 of the Act and the Rules and other applicable laws and regulations, as amended from time to time.

The Board of the Company had initially adopted this CSR Policy in terms of section 135 (3) (a) of the Act read with the CSR Rules and Schedule VII of the Act made thereunder on 12th May, 2014, which was further amended on 8th February, 2018. Considering the recent amendments made in Section 135 of the Act vide the Companies Amendment Act, 2019 and the Companies Amendment Act, 2020 along with changes in the Rules vide the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("Amendment Rules"), the Board at their meeting held on 1st June, 2021, based on the recommendations of the CSR Committee of the Board, have adopted this Policy, namely, BCML Corporate Social Responsibility Policy ("Policy") and it shall be effective from 1st June, 2021. This Policy shall supersede the existing Corporate Social Responsibility Policy.

CSR Committee

The Board of Directors of the Company shall from time to time constitute/reconstitute a CSR Committee consisting of such members as may be required under the Act. The CSR Committee shall meet at least twice in a year to review annual action plan and monitor the CSR projects/programmes. The quorum shall be two members. The Committee shall periodically review the Policy, discuss the budget and strategy, review project progress, issue necessary direction from time to time to ensure orderly and efficient execution of the CSR programmes in accordance with this Policy and also consider the future course of action.

The terms of reference of the CSR Committee are mentioned hereunder:

(i) Formulate and recommend to the Board, a CSR Policy (and modifications thereto from time to time) which shall provide an approach and the guiding principles for selection, implementation and monitoring of CSR activities to be undertaken by the Company as well as formulation of the annual action plan.

(ii) Recommend and review the annual action plan, and any modifications thereof, to the Board comprising of following:

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programmes;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and
- details of need and impact assessment, if any, for the projects undertaken by the Company.

(iii) Recommend specific projects, either new or ongoing, in pursuance of the Focus Areas outlined in this Policy or such other activity as listed under Schedule VII of the Act, either for undertaking such projects by the Company itself, directly or through any implementation agency, for inclusion in the annual action plan or contributions or financial assistance.

(iv) Recommend to the Board, the amount of expenditure to be incurred on the CSR activities in a financial year and the amount to be transferred in case of ongoing projects and unspent amounts, if any.

(v) Review the progress of CSR initiatives undertaken by the Company.

(vi) Monitor the CSR Policy of the Company from time to time and institute transparent monitoring mechanism for implementation of the CSR projects referred to above.

(vii) Review and recommend to the Board, the Annual Report on CSR activities to be included in Board's Report and take a note of the certificate submitted by the Chief Financial Officer.

(viii) Review and recommend to the Board, the Impact Assessment Report, if any, obtained by the Company from time to time.

(ix) Undertake such activities and carry out such functions as may be provided under section 135 of the Act and the Rules.

Focus Areas

The scope of activities which, the Company will undertake towards fulfillment of its CSR shall be in line with Schedule VII of the Act. The Company shall focus on the following key areas for its CSR Activities:

a) Livelihood enhancement and poverty alleviation

b) Education including skill development for empowerment of women and others.

c) Healthcare, sanitation & safe drinking water

d) Rural development and transformation

e) Environment sustainability & climate change

f) Disaster management

Besides above, the Board may approve such other CSR activities as permissible under Schedule VII of the Act.

The CSR initiatives would be identified as per the requirement in the community and the local area from where the Company operates. Further, the CSR Committee may also consider any initiative to be carried out in terms of the Act in any other part of India. Professional agencies may be engaged in conducting need based assessment in some programme, wherever required.

Implementation

Subject to the provisions of the Act, the Company will undertake the CSR Activities either (i) directly or (ii) through a registered trust or registered society or registered company (under Section 8 of the Act) registered under section 12A and 80G of the Income Tax Act, 1961, established by it either singly or along with any other company (iii) through any other Implementing Agency.

Provided that if the Company decides to undertake its CSR activities through a company established under section 8 of the Act or a registered trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, such company or trust or society shall have an established track record of three years in undertaking similar programs or projects and the Company should have specified the projects or programs to be undertaken, the modalities of utilisation of funds of such projects and programs and the monitoring and reporting mechanism.

Provided that such implementing agencies shall be covered by Rule 4 (1) of the Rules and registered with Central Government and is in possession of unique CSR Registration Number.

Further, for carrying the CSR Activities, the Company may also collaborate with the Governments, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders that can widen the Company's reach and help the Company to leverage upon the collective expertise, wisdom and experience that these partnerships bring to the CSR Activities.

However, the CSR Committee shall ensure the credibility of implementing agency and its ability to execute the project or programme effectively. The disbursement by the Company to the implementing agency should be preferably made upon receipt of proposal along with budget and implementation schedule, and in tranches in order to ensure that the amount does not lie unspent with the implementing agency.

CSR Expenditure

- As mandated under Section 135 of the Act read with the CSR Rules, expenditure on CSR Activities in any financial year shall be atleast 2% of the average net profits of the Company made during the three immediately preceding financial years or such higher amount as may be recommended by the CSR Committee and approved by the Board of Directors of the Company.
- The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the said financial year.
- Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of the CSR Policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- If the Company fails to spend the minimum allocation of CSR the reasons for not spending the amount shall be specified in the Board's Report prepared under Section 134(3)(o) of the Act and unless the unspent amount relates to any Ongoing Project, it will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- The Company shall deal with the unspent amount, if any, in the following manner:

a) Where the unspent amount is related to an Ongoing Project, such unspent amount shall be transferred to the CSR Unspent Account within a period of 30 days from the end of the financial year and the same shall be spent in the manner as prescribed in section 135(6) of the Act and the CSR Rules; and

b) Where the unspent amount is not related to an Ongoing Project, such unspent amount shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year or such other time period as permissible under the Act.

- The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –

  a) a company established under section 8 of the Act or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of Rule 4; or

  b) beneficiaries of the said CSR project, in the form of selfhelp groups, collectives, entities; or

  c) a public authority.

- Where the Company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –

  a) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule; and

  b) the Board of the Company shall pass a resolution to that effect.

Monitoring, Review and Impact Assessment

The CSR Committee shall review the progress reports as received from implementing agencies and / or concerned officer / team of the Company, as may be the case. The CSR Committee shall review and inform the Board on the utilisation of the funds disbursed for the purpose and in the manner approved by it. The outcome of impact assessment, if any, and progress reports submitted will be taken into consideration while engaging the implementation agencies for subsequent CSR projects and programmes and while finalizing the annual action plan for the subsequent year.

The Company should ensure that the implementing agencies, shall keep the Company informed about any information or circumstances that will affect the ability of the agency to carry out the CSR project or programme. Where the CSR amount spent results or resulted in creation or acquisition of capital asset, details with respect to the entity holding such capital asset should be duly informed to the CSR Committee in accordance with the CSR Rules.

Apart from receiving utlisation certificates / progress reports, the representatives of the Company shall carry out site visits / field visits on periodic basis. Further, the Company can engage a third party for monitoring the same and shall carry out impact assessment, either directly or by engaging independent agency, in accordance with the Act and the CSR Rules.

Annual Action Plan

The CSR Committee shall formulate and recommend to the Board of Directors, an Annual Action Plan in pursuance of this Policy, which shall include focus areas for the year, the list of projects to be undertaken, manner of execution, fund utilisation, monitoring mechanism, etc.

The Board of Directors may approve the Annual Action Plan with such further conditions as it deems fit and may alter Annual Action Plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

Information Dissemination

The composition of the CSR Committee, CSR Policy and Projects, as approved by the Board should be uploaded on the website of the Company. The Company's engagement in CSR Activities may also be disseminated through the media. An Annual CSR Report will be included in the Board's Report forming part of the Annual Report.

Amendments

Amendments from time to time to the CSR Policy, if any, shall be considered by the Board of Directors of the Company, based on the recommendations of the CSR Committee. Any amendments in the Applicable Law, including any clarifications/ circulars of relevant regulator, if mandatory, shall be read with this Policy such that the Policy shall automatically reflect the contemporaneous Applicable Law at the time of its implementation.

Annexure V to the Board's Report

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Code of Governance

Corporate Governance refers to, but not limited to, a set of laws, regulations and good practices & systems that enable an organisation to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. Sound governance practices and responsible corporate behaviour contribute to superior long term performance of organisations. Corporate Governance requires everyone to raise their level of competency and capability to meet the expectations in managing the enterprise and its resources optimally with prudent ethical standards.

The Company recognises that good corporate governance is a continuous exercise. Adherence to transparency, accountability, fairness and ethical standards are an integral part of the Company's function. The Company's structure, business dealings, administration and disclosure practices are aligned to good corporate governance philosophy. The Company has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development which benefits all the stakeholders. The Company also aims to increase and sustain its corporate values through growth and innovation.

Date of Report

The information provided in this Report on Corporate Governance is as on 31st March, 2022 for the purpose of unanimity. Some of the information is updated as on the date of the report, wherever applicable.

Board of Directors

The Company recognises the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations") mandates a Company which does not have a regular non-executive chairperson to have at least half of the Board of Directors to be comprised of Independent Directors. As on 31st March, 2022 the Board comprised of 7 (seven) directors, of which 4(four) were Independent Directors. The composition of the Board is in conformity with the requirements of Regulation 17(1) of the Listing Regulations.

The composition of the Board of Directors, the number of other committees of which a director is a Member/Chairperson and the attendance of each director at the Board Meetings and the last Annual General Meeting (AGM) of the Company were as follows:

Name of the Directors and Category	No. of membership on Board committees including the Company^	No. of chairmanship on Board committees including the Company^	No. of Board meetings attended during the year 2021-22	Attendance at last AGM held on 13th September, 2021
Mr. Vivek Saraogi (Chairman and Managing Director) (PE)	1	0	6	Yes
Mr. D. K. Mittal (ID)	6	3	7	Yes
Mr. Krishnava Dutt (ID)	5	3	6	Yes
Dr. Arvind Krishna Saxena (Whole-time Director) (NPE)	0	0	7	Yes
Mr. Naresh Dayal (NED)	1	0	7	Yes
Ms. Veena Hingarh (ID)	3	0	7	Yes
Ms. Mamta Binani (ID)	5	1	7	Yes
Mr. Sumit Mazumder* (Chairman) (ID) (Ceased w.e.f. 18.02.2022)	2	0	6	Yes

ID- Independent, Non-Executive; PE- Promoter, Executive; NPE- Non-Promoter, Executive; NED- Non-Independent, Non-Executive

The Committee positions are based on the latest disclosures received by the Company.

^Only membership/ chairmanship of the Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies have been considered.

*Details provided are as on the date of his cessation as Chairman and Independent Director of the Company.

The Independent Directors of the Company have confirmed that they meet the criteria for "independence" and / or "eligibility" as prescribed under the Listing Regulations and Section 149 of the Companies Act, 2013 (as amended) (the "Act") and in the opinion of the Board, the independent directors of the Company fulfill the conditions specified under the Listing Regulations and are independent of the management. None of the directors of the Company are related to each other. The Company is in compliance with the provisions regarding Board, its composition and committees under the Act and Listing Regulations.

During the Financial Year 2021-22, Mr. Sumit Mazumder has resigned as Independent Director and Chairman of the Company with effect from closure of the business hours of 18th February 2022. Mr. Mazumder informed that the resignation is purely on account of personal reasons and to pursue areas of his interest / hobbies. Mr. Mazumder has also confirmed that there are no other material reasons attributable / connected with the Company for his resignation.

Further, the Board of Directors of the Company at its meeting held on 2nd February, 2022 re-appointed Mr. Vivek Saraogi as the Managing Director of the Company for a term of 5 years with effect from 1st April, 2022 to 31st March, 2027. The said re-appointment was approved by the Shareholders of the Company with overwhelming majority on 26th March, 2022 (i.e. last date for remote e-voting).

As required under Para C of Schedule V to the Listing Regulations, based on the latest disclosures received by the Company, following are the number of other directorships and the names of the listed entities where the directors of the Company are also a director and the category of their directorships therein:

Name of the Directors	No. of Directorships@	Directorships and its category in listed entities
Mr. Vivek Saraogi	1	Balrampur Chini Mills Limited (PE)
Mr. D. K. Mittal	8	Balrampur Chini Mills Limited (ID)
		Bharti Airtel Limited (ID)
		Trident Limited (ID)
		Max Ventures and Industries Limited (ID)
		Max Financial Services Limited (ID)
Mr. Krishnava Dutt	5	Balrampur Chini Mills Limited (ID)
		Tata Metaliks Limited (ID)
		TRF Limited (ID)
Dr. Arvind Krishna Saxena	1	Balrampur Chini Mills Limited (NPE)
Mr. Naresh Dayal	1	Balrampur Chini Mills Limited (NED)
Ms. Veena Hingarh	2	Balrampur Chini Mills Limited (ID)
Ms. Mamta Binani	9	Balrampur Chini Mills Limited (ID)
		Emami Limited (ID)
		GPT Infraprojects Limited (ID)
		Skipper Limited (ID)
		Emami Paper Mills Limited (ID)

ID- Independent, Non-Executive; PE- Promoter, Executive; NPE- Non-Promoter, Executive; NED- Non-Independent, Non-Executive

@Excludes memberships of the managing committee of various chambers/bodies, directorships in private limited companies, foreign companies, companies registered under section 8 of the Act and alternate directorships.

None of the directors on the Board of the Company is a member of more than 10 committees or Chairperson of more than 5 committees, reckoned in terms of Regulation 26 of the Listing Regulations. The Independent Directors of the Company do not serve in more than the prescribed number of companies as independent directors in terms of the requirements of the Listing Regulations.

The Board has devised proper system to ensure compliance with the provisions of all applicable laws and periodically reviewed the compliance reports of all laws applicable to the Company and necessary steps were taken to ensure the compliance in letter and spirit.

The Board of Directors of the Company met 7 (Seven) times during the Financial Year 2021-22. Atleast one meeting of the Board was held in every quarter and the time gap between any two consecutive board meetings did not exceed 120 days during the Financial Year 2021-22. The details are as follows:

Sl. No.	Date of Board Meetings	Board Strength (No. of Directors)	No. of Directors Present	No. of Independent Directors Present
1.	10th April, 2021	8	7	4
2.	1st June, 2021	8	8	5
3.	9th August, 2021	8	8	5
4.	8th November, 2021	8	8	5
5.	6th January, 2022	8	8	5
6.	2nd February, 2022	8	8	5
7.	18th February, 2022	8	6	4

The Directors were offered option to access the complete agenda for meetings along with all relevant annexures and other important information on their respective i-Pads/ tablets/ laptops through a software platform that allows secured log in and access to data on the device in online and offline modes as well as functionality to make private notes and comments ahead of the meetings and many other advanced features.

Core Skills / Expertise / Competencies available with the Board of Directors of the Company

In pursuance of Para C (2), Schedule V to the Listing Regulations, the Board of Directors of the Company has identified the following core skills/expertise/competencies that are desirable for the Company to function effectively in the context of the business of the Company:

Technical skills/experience	Industry knowledge/experience
Accounting and Finance	Industry Experience
Information Technology	Industry Knowledge
Statutory Compliance	Understanding of relevant laws, rules, regulation and policy
Risk Management	Economics
Business Planning and Strategy	**Behavioural Competencies**
Auditing	Interpersonal Relations
Human Resource Management	Leadership
Engineering and Technology	
Corporate Affairs	
Agri Research & Development	

The Board of the Company comprises of qualified members who possess required skills, expertise and competencies (as given below) that allow them to make effective contributions to the Board and its Committees.

Name of the Director	Area of skills/expertise/competencies
Mr. Vivek Saraogi	Industry Experience; Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Economics; Accounting and Finance; Statutory Compliance; Risk Management; Business Planning and Strategy; Auditing; Human Resource Management; Engineering and Technology; Corporate Affairs; Agri - Research & Development; Interpersonal relations; Leadership
Mr. D. K. Mittal	Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Economics; Accounting and Finance; Statutory Compliance; Risk Management; Business Planning and Strategy; Human Resource Management; Corporate Affairs; Agri Research & Development; Interpersonal relations; Leadership
Mr. Krishnava Dutt	Understanding of relevant laws, rules, regulation and policy; Corporate Affairs; Interpersonal relations; Leadership
Mr. Naresh Dayal	Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Economics; Statutory Compliance; Business Planning and Strategy; Human Resource Management; Corporate Affairs; Agri -Research & Development; Interpersonal relations; Leadership
Ms Mamta Binani	Understanding of relevant laws, rules, regulation and policy; Economics; Accounting and Finance; Statutory Compliance; Risk Management; Business Planning and Strategy; Corporate Affairs; Interpersonal relations; Leadership
Ms Veena Hingarh	Industry Experience; Accounting and Finance; Information Technology; Statutory Compliance; Auditing; Interpersonal relations; Leadership
Dr. A. K. Saxena	Industry Experience; Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Statutory Compliance; Risk Management; Business Planning and Strategy; Auditing; Corporate Affairs; Agri-Research & Development; Interpersonal relations; Leadership

Board Training and Familiarisation Programme

In terms of Regulation 25 of the Listing Regulations, the Company is required to conduct various programmes for the Independent Directors of the Company to familiarise 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 programmes for familiarisation of the Independent Directors are put on the website of the Company at the following web-link:
https://chini.com/sustainability/governance/policies/

Independent Directors' Separate Meeting

Schedule IV to the Act and the Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in every financial year, without the attendance of non-independent directors and members of the management. During the year ended 31st March, 2022, the Independent Directors met on 2nd February, 2022. The Independent Directors decided that in order to align with the requirement of the Act and Listing Regulations, the review performance of Non-Independent Directors & the Board as a whole and other matters shall be taken up for consideration in the meeting to be held after 31st March 2022. Accordingly, the said meeting was held on 21st May, 2022. Further the Independent Directors in their Meeting held on 21st May, 2022 decided that an ESG Committee should also be constituted for focused attention on ESG matters. The same is presently being constituted.

Lead Independent Director

Although not mandatory, the Board has appointed Mr. D. K. Mittal, Independent Director and Chairperson of Audit Committee, Nomination & Remuneration Committee and Risk Management Committee as the Lead Independent Director. The Lead Independent Director provides leadership to the Independent Directors and liasions between the Independent Directors and the Management / Board / Shareholders.

Code of Conduct

Regulation 17(5) of the Listing Regulations requires every listed company to have a Code of Conduct for its directors and senior management. Further, Schedule IV of the Act requires the appointment of Independent Director to be formalised through a letter of appointment, which shall set out the Code for Business Ethics that the Company expects its directors and employees to follow. The said Schedule also requires the Independent Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

In terms of the above, there exists a comprehensive Code of Conduct for all Directors, Senior Management Personnel and all other employees of the Company and the same is available on the website of the Company at the following web-link:
https://chini.com/sustainability/governance/policies/

All Directors and Senior Management Personnel have affirmed compliance with the Code for the Financial Year 2021-22. A declaration to this effect signed by the Chairman and Managing Director is annexed to this Report.

Board Committees

The Board has constituted various committees consisting of Executive and Non-Executive Directors of the Company to meet various mandatory requirements of the Act and the Listing Regulations as well as to perform other critical functions. Currently, the Board has 6 (six) committees, viz., Audit Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Executive Committee. The compositions of the said committees have also been disclosed on the website of the Company. The Company Secretary acts as the Secretary to all the Committees of the Board. Further an ESG Committee is also being constituted.

Audit Committee

The Board of Directors of the Company has constituted a qualified and independent Audit Committee that acts as a link between the management, the Statutory, Internal Auditors and the Board.

Terms of Reference

The terms of reference of the Audit Committee are in conformity with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. Terms of reference of the Audit Committee, inter alia, includes:

I. Overseeing the financial reporting process, review of financial statements;

II. Ensuring compliance with the regulatory guidelines;

III. Review of internal audit reports;

IV. Recommending appointment and remuneration of auditors to the Board of Directors and to review adequacy of internal control systems and internal audit function; and

V. Other matters specified for Audit Committee under the Listing Regulations and the Act.

The Audit Committee also reviews information as per the requirements of Part C of Schedule II to the Listing Regulations.

Composition, Meetings and Attendance

The composition of the Audit Committee is in accordance with the provisions of the Act and Regulation 18 of the Listing Regulations.

The Audit Committee comprised of 4 (four) directors consisting of 3 (three) Independent Directors and 1(one) Non-Executive Non-

Independent Director. All the members of the Audit Committee are financially literate and half of them are having accounting or related financial management expertise. Mr. D. K. Mittal acts as the Chairman of the Committee. The Chairman of the Committee is an Independent (Non-Executive) Director, nominated by the Board. The Committee meetings were attended by the Statutory Auditors, the Managing Director and the Chief Financial Officer of the Company as invitees. The Committee also invited the representatives of Internal Auditors for obtaining valuable guidance from their expertise in best practices in Internal Audit. The Cost Auditors were also invited whenever the Cost Audit related matters were considered. The minutes of the Audit Committee meetings were circulated to the Board, discussed and taken note of. All recommendations made by the Audit Committee during the year were accepted by the Board.

At least one meeting of the Audit Committee was held in every quarter and the time gap between any two consecutive meetings of the Audit Committee did not exceed 120 days during the year 2021-22. During the year ended 31st March, 2022, 4 (four) Audit Committee meetings were held on 1st June 2021, 9th August, 2021, 8th November, 2021 and 2nd February, 2022.

The details of composition, meetings and attendance of the members of the Audit Committee are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. D. K. Mittal	Independent Director	Chairman	4
2.	Mr. Krishnava Dutt	Independent Director	Member	4
3.	Ms. Mamta Binani	Independent Director	Member	4
4.	Mr. Naresh Dayal	Non-Executive Non - independent Director	Member	4

Mr. D. K. Mittal, the Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the queries related to accounts to the satisfaction of the shareholders.

Nomination & Remuneration Committee

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee cover all the areas mentioned under Regulation 19 of the Listing Regulations and Section 178 of the Act. The broad terms of reference of the Committee includes:

I. To formulate the criteria for determining qualifications, positive attributes and independence of a Director;

II. To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel, and other employees of the Company;

III. To identify persons who are qualified to become directors and who may be appointed in senior management;

IV. To recommend the remuneration payable to Senior Management;

V. To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation.

VI. To evaluate the performance of all Directors.

Composition, Meetings and Attendance

As on 31st March, 2022, the Nomination & Remuneration Committee comprised of 3 (three) Non-Executive Directors, two of whom are Independent Directors.

During the year ended 31st March, 2022, 3 (three) Nomination & Remuneration Committee meetings were held on 1st June, 2021, 8th November, 2021 and 2nd February, 2022.

The details of the composition, meetings and attendance of the members of the Nomination & Remuneration Committee are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. D. K. Mittal	Independent Director	Chairman	3
2.	Mr. Naresh Dayal	Non-Executive Non-Independent Director	Member	3
3.	Ms. Veena Hingarh	Independent Director	Member	3

Mr. D. K. Mittal, the Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting of the Company to answer the queries of the shareholders.

Remuneration Policy

The Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors is annexed to the Board's Report and is also available on the Company's website at the following web-link:
https://chini.com/sustainability/governance/policies/

The Non-Executive Directors do not have any pecuniary relationship/transaction with the Company in their personal capacity other than Commission (not exceeding the limits prescribed under the Companies Act, 2013) and Sitting Fees and reimbursement of expenses for attending meetings of the Board and Committees thereof. The Directors are paid @ ₹40,000/- for attending each meeting of the Board and ₹20,000/- for attending each meeting of the Committees thereof, except for Audit Committee. The sitting fees for attending each meeting of Audit Committee is ₹40,000/-. The aggregate annual commission payable to the Non-Executive Directors is upto one percent of the net profit of the Company or ₹125 Lakhs (effective from 1st April, 2019), plus applicable taxes, whichever is lower, in such proportion and manner as fixed by the Board of Directors.

The Commission payable to the Managing Director is at the rate of one percent of the net profit of the Company, subject to a ceiling of ₹360 Lakhs p.a. which (together with other remuneration) is well within the limit as prescribed under the Act.

Details of remuneration paid / payable to the Directors for the year ended 31st March, 2022 and their shareholding as on that date are as under:

Name of the Directors	Salary (₹)	Perquisites / Benefits (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Total (₹)	Service Contract/ Notice period/ Severance Fees	Shareholding (Equity) (No.)
Mr. Vivek Saraogi	2,40,00,000	30,73,054	-	3,60,00,000	-	6,30,73,054	Re-appointed upto 31.03.2027. No notice period and no severance fees.	4,11,58,544
Mr. D. K. Mittal	-	-	-	24,00,000	5,20,000	29,20,000	Re-appointed as Independent Director from 01.04.2019 to 31.03.2024.	Nil
Mr. Krishnava Dutt	-	-	-	16,00,000	4,80,000	20,80,000	Re-appointed as Independent Director from 01.04.2019 to 31.03.2024	Nil
Dr. Arvind Krishna Saxena	29,46,000	7,50,757	-	-	-	36,96,757	Term of office valid upto 31.07.2022. No notice period, no severance fees	15,039
Mr. Naresh Dayal	-	-	-	16,00,000	5,60,000	21,60,000	Liable to retire by rotation.	Nil
Ms. Veena Hingarh	-	-	-	16,00,000	4,20,000	20,20,000	Appointed as an Independent Director from 31.08.2019 to 30.08.2024	Nil
Ms. Mamta Binani	-	-	-	16,00,000	8,00,000	24,00,000	Appointed as an Independent Director from 05.11.2020 to 04.11.2025	Nil
Mr. Sumit Mazumder (#)	-	-	-	22,00,000	3,40,000	25,40,000	Resigned with effect from 18.02.2022	Nil

(#) Resigned with effect from 18th February, 2022.

Note – The Company's contributions to provident fund have been shown under head 'Benefits' in the above Table. Sitting Fees and Commission are net off GST. None of the Directors of the Company hold any convertible instruments of the Company. The Company has not issued any stock options.

Other terms and conditions of appointment of the Independent Directors have been disclosed on the website of the Company at the following web-link:
https://chini.com/sustainability/governance/policies/

Succession Planning

The Board on the recommendation of the Nomination & Remuneration Committee has formulated a Policy on Succession Plan for the Board and Senior Management.

Performance Evaluation and Criteria

Pursuant to the Section 178 of the Act and the Listing Regulations, the Nomination & Remuneration Committee (NRC) has specified the manner and the criteria for performance evaluation of the Board, its Committees and Individual Directors (including Independent Director). Accordingly, the Board has carried out the performance evaluation of its own performance and that of its Committees as well as evaluation of performance of the Directors individually. The performance evaluation of the Independent Directors was also carried out by the entire Board (excluding the director being evaluated). The indicative criteria on which evaluation was carried out includes, Degree of fulfilment of key responsibilities, Board structure and composition, Effectiveness of Board processes, information and functioning, Attendance (captured from records of meetings), Contribution, Guidance/ support to management / Committee meetings, Quality of relationship of the committee with the Board and the management, etc.

The performance evaluation of the Board, its Chairman and the Non-Independent Directors were carried out by the Independent Directors. The NRC also reviewed the implementation of the criteria specified for performance evaluation and also formulated its feedback for supporting the Board in carrying out such evaluation of the performance. The evaluation of performance for the Financial Year 2021-22 was carried out through structured questionnaires (based on various aspects of the Board's functioning, composition, its committees, culture, governance, execution and performance of statutory duties and obligations). The questionnaire covers all aspects prescribed by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017. The Board expressed its satisfaction with the evaluation process and its results thereof.

Risk Management Committee

In compliance with Regulation 21 of the Listing Regulations, the Board of Directors of the Company has a Risk Management Committee (RMC) to review, in particular, the Risk Management Policy of the Company, the effectiveness and adequacy of the Risk Management Systems of the Company, including cyber security, etc. Further, the Risk Management Policy has been amended and renamed as "Risk Management Framework & Policy" during the year, wherein the risk management framework has been articulated in detail.

Terms of Reference

The terms of reference of Risk Management Committee are in conformity with the requirements of Regulation 21 of the Listing Regulations. Pursuant to the changes in Regulation 21 and Schedule II to the Listing Regulations, Board of Directors of the Company at its meeting held on 1st June, 2021 has revised the terms of reference of RMC which, inter alia, includes:

- Formulation of a detailed risk management policy which shall include:
    a) framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
    b) Measures for risk mitigation including systems and processes for internal control of identified risks;
    c) Business continuity plan
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Periodic review of Risk Management Policy;
- Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

Composition, Meetings and Attendance

As on 31st March, 2022, RMC comprised of 4 (four) directors, all of whom are Non-Executive, Independent Directors except Mr. Naresh Dayal, who is a Non-Executive Non-Independent Director. During the year ended 31st March, 2022, 3(Three) RMC meetings were held on 1st June, 2021, 19th November, 2021 and 2nd February, 2022. The composition and attendance of the members of the RMC are as follows:

Sl.No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. D. K. Mittal	Independent Director	Chairman	3
2.	Mr. Krishnava Dutt	Independent Director	Member	3
3.	Mr. Naresh Dayal	Non-Executive Non-Independent Director	Member	3
4.	Ms. Veena Hingarh	Independent Director	Member	3

Executive Committee

The Executive Committee, constituted by the Board of Directors of the Company met 21 (Twenty One) times at meetings which were held on 19th April, 2021, 23rd April, 2021, 29th April, 2021, 11th May, 2021, 18th June, 2021, 12th July, 2021, 2nd August, 2021, 10th August, 2021, 6th September 2021, 1st October, 2021, 19th October, 2021, 21st October, 2021, 15th November 2021, 26th November 2021, 15th December 2021, 30th December 2021, 15th January 2022, 10th February 2022, 15th February 2022, 15th March 2022 and 30th March 2022 during the Financial Year 2021-22.

The terms of reference of the said Committee, inter alia, includes the following:

i. To approve and / or authorise opening of bank accounts, cash credit, current, dividend payment or otherwise and to give instructions relating to such banking accounts.

ii. To approve and / or authorise opening of Demat Accounts, Trading Accounts and to give instructions relating to such accounts.

iii. To borrow money/monies, from time to time, for the purpose of the Company, from banks / Financial Institutions.

iv. To authorise affixation of the Company's Common Seal.

v. To confer signing powers and authorities on such officers and employees of the Company as deemed fit for various operational and statutory matters.

vi. To perform such other function as may be delegated by the Board of Directors from time to time.

vii. To deal with the various aspects of interest of shareholders of the Company.

During the financial year, Mr. Sumit Mazumder ceased to the member of Executive Committee consequent to his resignation from the office of Chairperson and Independent Director of the Company with effect from 18th February, 2022.

The details of the composition and attendance of the members of the Executive Committee are as follows:

Sl.No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Ms. Mamta Binani	Independent Director	Member	20
2.	Mr. Vivek Saraogi	Promoter, Executive	Member	21
3.	Dr. A. K. Saxena	Non-Promoter, Executive	Member	10
4.	Mr. Sumit Mazumder^	Independent Director	Member	5

^ Upto 18.02.2022

(Note: The Committee doesn't have a regular Chairman)

Corporate Social Responsibility (CSR) Committee

Pursuant to the provisions of the Act, the CSR Committee is required to recommend the amount of expenditure to be incurred for undertaking CSR activities by the Company in terms of the Corporate Social Responsibility Policy. It also monitors the CSR Policy of the Company from time to time. During the financial year, the Board of Directors of the Company has reconstituted the CSR Committee as Mr. Sumit Mazumder ceased to the member of CSR Committee consequent to his resignation from the office of Chairperson and Independent Director of the Company with effect from 18th February, 2022. During the year ended 31st March, 2022, 2 (two) CSR Committee meetings were held on 1st June, 2021 and 2nd February, 2022. The terms of reference of CSR Committee are in conformity with the requirements of the Act which, inter alia, includes:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act.
- To recommend the amount of expenditure to be incurred on the activities as mentioned above and;
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

The composition and attendance of the members of the CSR Committee are as follows:

Sl. No.	Name of the Directors	Position	Category	No. of meetings attended
1.	Mr. Naresh Dayal	Chairperson	Non-Independent, Non-Executive	2
2.	Ms. Veena Hingarh	Member	Independent, Non-Executive	2
3.	Mr. Vivek Saraogi	Member	Promoter, Executive	2
4.	Mr. Sumit Mazumder ^	Member	Independent Director	2

^ Upto 18.02.2022

Stakeholders Relationship Committee

The Company has Stakeholders' Relationship Committee in pursuance of Section 178 of the Act and Regulation 20 of the Listing Regulations.

Terms of Reference

The terms of reference of Stakeholders' Relationship Committee (SRC) are in conformity with the requirements of Section 178 of the Act and Regulation 20 read with Para B, Part of D of Schedule II to the Listing Regulations which, inter alia, includes:

- ✓ considering and resolving the grievances of security holders of the company;
- ✓ Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- ✓ Review of adherence to the service standards adopted by the Company in respect of various services being rendered by RTA;
- ✓ Reviewing of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

Composition, Meetings and Attendance

The Committee comprises of three members, two Independent Directors and one Promoter, Executive Director. During the year ended 31st March, 2022, 1(One) SRC meeting was held on 8th November, 2021. The composition and attendance of the members of the SRC are as follows:

Sl. No.	Name of the Directors	Position	Category	No. of meetings attended
1.	Mr. Krishnava Dutt	Chairman	Independent, Non-Executive	1
2.	Mr. Vivek Saraogi	Member	Promoter, Executive	1
3.	Ms. Veena Hingarh	Member	Independent, Non-Executive	1

Compliance Officer

The Board has designated Mr. Manoj Agarwal, Company Secretary as the Compliance Officer.

Details of Shareholders' complaints

A total of 319 (Three Hundred Nineteen) complaints were received and replied to the satisfaction of the shareholders during the year ended 31st March, 2022. There were no outstanding complaints as on 31st March, 2022.

Nature of Complaints:

Description	Received and resolved during the Year
Non-receipt of securities	10
Non receipt of dividend (including inquiries)	305
Stock Exchange Complaints	4
Total	**319**

The Company supports SCORES by using it as a platform for communication between SEBI and the Company. Also there are no pending complaints on the SCORES platform.

General Body Meetings

Details of the last three Annual General Meetings are given below:

Accounting Year	Date	Location	Time	Special Resolution passed
2018-19	30.08.2019	'Vidya Mandir', 1, Moira Street, Kolkata – 700 017	11.30 A.M.	Payment of commission to the Non-Executive Directors of the Company upto 1% per annum of the net profits of the Company or ₹1,25,00,000/- in aggregate, plus applicable taxes, whichever is lower, in any financial year, w.e.f. the financial year commencing from 1st April, 2019.
2019-20	22.09.2020	Video Conferencing	4.00 P.M.	Re-appointment of Mr. Sumit Mazumder (DIN: 00116654) as an Independent Director of the Company to hold office for his second term of five consecutive years with effect from 1st May, 2021 to 30th April, 2026 and approval for continuation of Mr. Mazumder as an Independent Director of the Company from the day he attains the age of 75 years till the remaining period of his second term, i.e. upto 30th April, 2026.
2020-21	13.09.2021	Video Conferencing	4.00 P.M.	None

Details of Special Resolution passed through Postal Ballot

During the financial year ended 31st March, 2022, the following special resolutions were passed through postal ballot:-

1. Re-appointment of Mr. Vivek Saraogi (DIN: 00221419) as the Managing Director of the Company.
2. Issue of Redeemable Non-convertible Debentures on private placement basis up to an amount of ₹140 Crores.

The Board of Directors of the Company at its meeting held on 2nd February, 2022 had appointed CS Mohan Ram Goenka (Membership No.: FCS 4515, CP No.: 2551) of M/s. MR & Associates, Company Secretaries, as the scrutinizer (the "Scrutinizer") for conducting Postal Ballot (by remote e-voting) process in a fair and transparent manner.

The Scrutinizer submitted his report on postal ballot by remote e-voting process to Mr. Manoj Agarwal, Company Secretary & Compliance Officer (as per the authorization given by the Ex-Chairman vide his letter dated 17th February, 2022) of the Company on 28th March, 2022. The details of voting of the Special Resolutions as set out in Postal Ballot Notice dated 2nd February, 2022 are as under:

Re-appointment of Mr. Vivek Saraogi (DIN: 00221419) as the Managing Director of the Company

Particulars	Number of Votes
Votes in favour of the Resolution	149,451,836
Votes against the Resolution	2,209,198

Issue of Redeemable Non-convertible Debentures on private placement basis up to an amount of ₹140 Crores.

Particulars	Number of Votes
Votes in favour of the Resolution	151,656,196
Votes against the Resolution	4,523

On the basis of the Reports of the Scrutinizer, Mr. Manoj Agarwal, Company Secretary & Compliance Officer of the Company, declared the results of Postal Ballot.

The Special Resolutions as Item no. 1 and Item no. 2 as set out in Postal Ballot Notice dated 2nd February, 2022 were duly approved by the Members with a majority of 98.54% and 99.99% respectively on Saturday, 26th March, 2022 (i.e. last date for remote e-voting).

No special resolution was passed through ballot at the last AGM and no special resolution is proposed to be conducted through postal ballot at the forthcoming/ensuing AGM.

Means of Communication

The full format of the results were filed with the Stock Exchanges on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the Listing Centre) and were available on the Stock Exchange websites-www.nseindia.com and www.bseindia.com. The extracts of the said financial results were published in the leading English and Bengali newspapers such as Business Standard (All editions) and Arthik Lipi.

The financial results, official news releases, presentations made to Institutional Investors and Analysts, concall transcripts with Analysts / Investors are hosted on the Company's website www.chini.com.

Apart from electronic copies of the Annual Report and Notices of the Annual General Meeting / Postal Ballot, etc., the Company sends quarterly individual communication regarding its performance to those shareholders whose email addresses are registered with the Company / Depository Participant(s).

Website

The Website of the Company (www.chini.com) provides ease of access to the required information to all the stakeholders. The website carries a comprehensive database of information of interest to the investors including the financial results of the Company, dividend declared, unclaimed dividend list, shareholding pattern, any price sensitive information disclosed to the regulatory authorities from time to time, credit rating investor presentations and business activities of the Company. The Company has launched its new website in July 2021. The promising new interface greets the users with the latest and modern graphics and animation play, giving a visual delight. Besides, content placement and communication of key updates, and the announcements have been strategically structured and placed on the website for the ease of navigability of the viewers. Further for ease of investors, real time price of the Company's share in both BSE and NSE is also displayed in the website. The Company has also added a Sustainability Tab dedicated for Environment, Social/CSR and Governance (ESG) issues which investors needs to be updated upon. An ESG profile of the Company with various sub-factors have been made available for download directly from the website.

General Shareholders' Information

Annual General Meeting (AGM) and Book Closure Dates

The Day, Date, Time and Venue of the 46th Annual General Meeting and Book Closure Dates are given below:

Accounting Year	Day & Date	Venue	Time	Book Closure Dates
2021-22	Saturday, 27th August, 2022	through video conferencing (VC) or other audio visual means (OAVM)	3.30 PM (IST)	Sunday, 21 August, 2022 to Saturday, 27 August, 2022 (both days inclusive)

Financial Year

The financial year of the Company is from 1st April to 31st March every year.

Financial year calendar for 2022-23 (Tentative)

Results for the quarter ending 30th June, 2022	–	1st week of August, 2022
Results for the quarter ending 30th September, 2022	–	1st week of November, 2022
Results for the quarter ending 31st December, 2022	–	1st week of February, 2023
Results for the quarter ending/Annual 31st March, 2023	–	3rd week of May, 2023

Dividend payment date

During the financial year ended 31st March, 2022, the Board of Directors of the Company at its meeting held on 2nd February, 2022 had approved payment of Interim Dividend @ ₹2.50 per share (250%) to those shareholders/beneficiaries whose names appeared in the register of members/beneficial owners as on 14th February, 2022 and the same was paid on and from 28th February, 2022. The Board has not proposed any final dividend for the Financial Year ended 31st March, 2022 and accordingly, the interim dividend paid during the year shall be treated as final dividend.

Details of Listing of Equity Shares and Stock Code

National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051.	**BSE Ltd.** PJ Towers, Dalal Street, Fort, Mumbai 400 001.
Scrip Code: BALRAMCHIN	**Scrip Code: 500038**

Listing Fees

Listing fee for the year 2022-23 has been paid to each of the above named stock exchanges.

Depositories

National Securities Depository Ltd. Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013.	**Central Depository Services (India) Ltd.** Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai - 400013.

ISIN

INE119A01028 (Equity Shares)

Reuters Code

NSE – BACH.NS and BSE – BACH.BO

Market Price Data (Face value of ₹1 each)

NSE		Months	BSE	
High (₹)	Low (₹)		High (₹)	Low (₹)
285.95	197.00	April, 2021	285.55	197.55
349.15	276.40	May, 2021	348.95	276.95
370.00	294.40	June, 2021	370.00	294.35
386.80	327.30	July, 2021	387.10	327.50
384.50	335.25	August, 2021	385.00	335.50
378.40	339.50	September, 2021	378.00	339.50
398.00	297.60	October, 2021	398.25	297.80
346.45	301.60	November, 2021	346.10	301.45
369.65	299.00	December, 2021	369.50	299.50
459.85	362.20	January, 2022	459.25	361.70
456.90	365.55	February, 2022	456.85	365.35
521.40	393.70	March, 2022	521.06	394.80

Stock Performance in comparison to broad based indices

Financial year	NSE CNX NIFTY		BSE SENSEX	
	Change in BCML share price	Change in Nifty	Change in BCML share price	Change in SENSEX
2021-22	128.16%	18.88%	128.39%	18.30%

Credit Ratings

Pursuant to Para C (9) of Schedule V to the Listing Regulations, details of the current credit rating profile of the Company are given below:

Facilities	Rating Agency	Rating
Long-term Limit	CRISIL	AA+/Stable
Short-term Limit	CRISIL	A1+
Commercial Papers	CRISIL	A1+

During the year ended 31st March, 2022, CRISIL (the Credit Rating Agency) has upgraded the long-term ratings to CRISIL AA+/Stable from CRISIL AA/Positive. Further, CRISIL has reaffirmed the short-term rating as CRISIL A1+.

During the year 2021-22 ICRA Limited (Credit Rating Agency) has reaffirmed the Long-term and Short term rating as [ICRA] AA(Positive) with Positive outlook and [ICRA]A1+ respectively. Further, based on the request of the Company, ICRA Limited has withdrawn the said Ratings as assigned to the Company.

The letters assigning the aforesaid credit ratings and any revision thereof issued by the Rating Agencies are available on the website of the Company under the section "Investors".

Registrar and Share Transfer Agent

KFin Technologies Limited (Formerly KFin Technologies Private Limited)	
Kolkata Office: Kankaria Centre, 2/1 Russel Street ,4th Floor Kolkata - 700071 Ph. No - 033-66285900	**Hyderabad Office:** Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Hyderabad-500032 Toll Free No.1800-345-4001 Email: einward.ris@kfintech.com Website: www.kfintech.com

Share Transfer System

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

Shareholding Pattern as on 31st March, 2022

Category	No. of Shares	% of Holding
Promoters' Holding (A)	86545753	42.42
Public Shareholding (B)		
Mutual Funds, Banks and NBFCs	33474598	16.40
Corporate Bodies	3496410	1.71
NRIs	1890184	0.93
Trusts	31680	0.02
Foreign Portfolio Investor (Corporate)	34688706	17.00
Indian Public	36637378	17.96
Qualified Institutional Buyer and Alternative Investment Fund	5820770	2.85
IEPF	632883	0.31
Clearing Members	821638	0.40
Total (A) + (B)	**204040000**	**100.00**

Distribution of Shareholding as on 31st March, 2022

Shareholding Range	No. of Holders	% of total holders	No. of Shares Held	% of total shares
1 - 5000	172739	99.33	22657300	11.10
5001 - 10000	517	0.30	3702899	1.81
10001 - 20000	267	0.15	3776285	1.85
20001 - 30000	104	0.06	2572155	1.26
30001 - 40000	61	0.04	2150330	1.06
40001 - 50000	41	0.02	1870087	0.92
50001 - 100000	63	0.04	4545061	2.23
100001 and above	109	0.06	162765883	79.77
Total	**173901**	**100.00**	**204040000**	**100.00**

Dematerialisation of shares and Liquidity

Around 99.64% of the Share Capital is held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at 31st March, 2022.

Status of Unclaimed Dividend

Dividend for the year	Amount of dividend (₹ in Lakhs)	Amount of unclaimed dividend as at 31.03.2022 (₹ in Lakhs)	Due date of transfer to IEPF
2016-17 (Interim)	8574.58	56.82	18th September, 2023
2017-18 (Interim)	5875.56	42.67	4th September, 2024
2018-19 (Interim)	5710.96	28.00	7th March, 2026
2019-20 (Interim)	5500.00	25.21	12th December, 2026
2020-21 (Interim)	5250.00	23.69	10th March, 2028
2021-22 (Interim)	5101.00	Refer Note	5th March, 2029

Note: The Interim Dividend for Financial Year 2021-2022 was paid to the Equity Shareholders of the Company on and from 28th February, 2022. The Dividend has been transferred to the shareholders' bank accounts registered with the Depositories / Registrar & Share Transfer Agent of the Company. In those cases where the bank details are not available or the electronic payment instructions have failed or have been rejected by the bank, the Company arranged the demand drafts in lieu thereof. Since all the demand drafts were active as on 31st March, 2022, there was no unclaimed dividend on that date.

In the interest of the shareholders, the Company sends reminders to the shareholders for the unpaid/unclaimed dividend every year.

Equity Shares in Demat Suspense Account

In terms of Regulation 34 read with Schedule V to the Listing Regulations, the Company reports the following details in respect of equity shares lying in the Demat Suspense Account of the Company:

Particulars	Number of Shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares lying in the Demat Suspense Account at the beginning of the year	496	26787
Aggregate number of shareholders and the outstanding shares transferred to Suspense Account during the year	-	-
Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the year	-	-
Number of Shares transferred to Investor Education and Protection Fund (Demat)	-	-
Number of shareholders to whom shares were transferred from the Suspense Account during the year	-	-
Aggregate number of shareholders and the outstanding shares lying in the Suspense Account at the end of the year	496	26787

The voting rights on the shares outstanding in the Suspense Account as at 31st March, 2022 shall remain frozen till the rightful owners of such shares claim their shares.

Plant Locations

Unit 1: Balrampur (Sugar, Co-generation, Distillery and Agro divisions), Dist. Balrampur, Uttar Pradesh.

Unit 2: Babhnan (Sugar, Co-generation and Distillery divisions), Dist. Gonda, Uttar Pradesh.

Unit 3: Tulsipur (Sugar and Co-generation Divisions), Dist. Balrampur, Uttar Pradesh.

Unit 4: Haidergarh (Sugar and Co-generation divisions), Dist. Barabanki, Uttar Pradesh.

Unit 5: Akbarpur (Sugar and Co-generation divisions), Dist. Ambedkarnagar, Uttar Pradesh.

Unit 6: Mankapur (Sugar, Co-generation, Distillery and Agro divisions) Dist. Gonda, Uttar Pradesh.

Unit 7: Rauzagaon (Sugar and Co-generation divisions) Dist. Ayodhya, Uttar Pradesh.

Unit 8: Kumbhi (Sugar and Co-generation divisions), Dist. Lakhimpur-Kheri, Uttar Pradesh.

Unit 9: Gularia (Sugar, Co-generation, Distillery and Agro divisions), Dist. Lakhimpur–Kheri, Uttar Pradesh.

Unit 10: Maizapur (Sugar and Co-generation divisions), Dist. Gonda, Uttar Pradesh.

Investors' Correspondence

Mr. Kamal Sewoda
Manager - Secretarial
Balrampur Chini Mills Limited
FMC Fortuna, 2nd Floor
234/3A, A.J.C. Bose Road
Kolkata – 700 020
Phone: (033) 2287 4749

The Company has designated investorgrievances@bcml.in (email id) exclusively for the purpose of registering complaints and queries by investors.

Other Disclosures

i) The Company does not have any materially significant related party transaction, which may have potential conflict with the interests of the Company at large. The transactions with related parties, have been disclosed separately in the Notes to the Financial Statements. The Company has disclosed the policy on dealing with the related party transactions on its website at the following web-link:
https://chini.com/sustainability/governance/policies/

ii) There were no instances of non-compliances related to capital markets during the year under review and no penalties/strictures were imposed against the Company during the last three years.

iii) Whistle Blower Policy framed by the Company to deal with unethical behavior, victimisation, fraud and other grievances or concerns, if any, is available on the Company's website at the following web-link:
https://chini.com/sustainability/governance/policies/

During the year 2021-22, no personnel has been denied access to the Audit Committee.

iv) All mandatory requirements relating to corporate governance under the Listing Regulations have been appropriately complied with and the status of non-mandatory (discretionary) requirements is given below:

1. The Company's financial statements for the year ended 31st March, 2022 do not contain any modified audit opinion.

2. The Internal Auditors of the Company report directly to the Audit Committee.

v) The Company doesn't have any subsidiary company and therefore corresponding disclosures including framing of policy on material subsidiary has not been made.

vi) In terms of the Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Details of significant changes in key financial ratios, along with detailed explanations thereof (including details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof) have been adequately covered under the Management Discussion and Analysis Report.

vii) The CEO & CFO Certification for the year 2021-22 forms part of the Annual Report.

viii) The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the date of the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

ix) The Company has laid down Risk Assessment and Minimisation procedures and the same are periodically reviewed by the Board. The Company has a defined Risk Management Framework and Policy approved by the Board of Directors of the Company. The said Framework and Policy was reviewed and revised by the Board of Directors at its meeting held on 2nd February, 2022 and the same was made applicable w.e.f. 2nd February, 2022. The Risk Management Policy is available on the website of the Company at the following web-link:
https://chini.com/sustainability/governance/policies/

Further, the Company has adequate internal control systems to identify risks at appropriate time and to ensure that the executive management controls the risk through properly defined framework.

Information required under clause 9(n) of Part C of Schedule V to the Listing Regulations and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are given hereunder:

Sugar, Ethanol and Power together constitute for more than 99% of the Company's revenues.

The major segment in which the Company operates in, which accounts for around 80% of the Company's revenues, is Sugar and as such Company is exposed to commodity price risk. Normally Company does not physically export sugar unless it is mandated by the Government. In that case Company has a policy in place to hedge the export underlying exposure. For domestic sales, under the current regime, sales quotas are announced by the Government on monthly basis. Further there are not many active platforms in India which allow hedging of domestic sugar sales. In addition to above, the Government of India had announced Minimum Sale Price (MSP) for sale of sugar in the open market by every sugar mill. Such MSP, currently at ₹31/- per kg acts as a minimum floor price for the sale of sugar by the sugar mills in India. The Ethanol price is fixed by the Central Government every year depending on the cost of production of ethanol, cost of production of sugar, the prices at which the sugar is being sold in the market and the overall position of the sugar industry in terms of its ability to pay the cane price as announced by the Government. Further ethanol prices are not linked with the crude prices. Thus, there is no price risk in case of ethanol and accordingly it does not require any hedging.

Similarly for supply of power to the State Electricity Grid, which are governed under long term Power Purchase Agreement(s) with the State Electricity Board, the prices are fixed for a term of five years. Further, there is lot of restrictions on the Company to come out of PPA and explore sale of power to other distribution companies or on the exchange. Accordingly, the details required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are not applicable to the Company.

Further disclosures relating to risks and activities including commodity price risk etc., have been adequately covered under the Management Discussion and Analysis Report forming part of the Annual Report.

x) During the year under review, no complaint / case was filed or was pending for redressal pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

xi) A certificate has been obtained from Mr. Manoj Kumar Banthia, Partner of MKB & Associates, Practicing Company Secretaries confirming that none of the Directors of the Company have been debarred or disqualified by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as directors of the Company and the same forms part of the Annual Report.

xii) All recommendations made by the Committees of the Board during the year were accepted by the Board. During the year 2021-22, there was no such instance wherein the Board had not accepted any recommendation of any committee of the Board.

xiii) Details of total fees for all services paid by the Company on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part, given below:

Particulars	Amount (₹ in Lakhs)
For Statutory Audit	52.50
For Taxation Matters	Nil
For Limited Review & Certification Work	20.25
Reimbursement of Expenses	0.30
Total	**73.05**

xiv) The Company has duly complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

xv) The Company has not provided any loans and advances in the nature of loans to firms/companies in which any director is interested.

xvi) Other items which are not applicable to the Company have not been separately commented upon.

For and on behalf of the Board of Directors

Sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN –00846939

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN – 00221419

Place: Kolkata
Date: 24th May, 2022

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

Balrampur Chini Mills Limited ("the Company") has adopted the Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the website of the Company.

It is hereby confirmed that the Company has obtained affirmation from all the Board Members and Senior Management Personnel that they have complied with the said Code for the financial year 2021-22.

For Balrampur Chini Mills Limited

Sd/-
Vivek Saraogi
Chairman and Managing Director

Place: Kolkata
Date: 24th May, 2022

CERTIFICATION BY CHAIRMAN AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned, in our respective capacities as Chairman and Managing Director and Chief Financial Officer of Balrampur Chini Mills Limited ("the Company") to the best of our knowledge and belief, hereby certify that:

A. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:

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

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of 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 :

   1. there has been no significant change in internal control over financial reporting during the year;

   2. there has been no significant change in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. there has been no instance 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 systems over financial reporting.

Place: Kolkata
Date: 24th May, 2022

Sd/-
Vivek Saraogi
Chairman and Managing Director

Sd/-
Pramod Patwari
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE OF BALRAMPUR CHINI MILLS LIMITED

To,
The Members,
BALRAMPUR CHINI MILLS LIMITED

We have examined the compliance of conditions of Corporate Governance by **BALRAMPUR CHINI MILLS LIMITED** ("the Company") for the year ended on 31st March, 2022, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clauses and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 24th May, 2022
Place: Kolkata
UDIN: A011470D000376890

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
Balrampur Chini Mills Limited
234/3A, A.J.C. Bose Road
FMC Fortuna, 2nd Floor
Kolkata - 700 020
West Bengal

We have examined the relevant disclosures received from the Directors and registers, records, forms, returns maintained by Balrampur Chini Mills Limited (CIN: L15421WB1975PLC030118) having its Registered office at 234/3A, A. J. C. Bose Road, FMC Fortuna, 2nd Floor, Kolkata - 700 020, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31 March 2022:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00221419	Mr. Vivek Saraogi	Managing Director	03.07.1987
2	00040000	Mr. Dinesh Kumar Mittal	Independent Director	06.02.2014
3	02792753	Mr. Krishnava Dutt	Independent Director	06.02.2014
4	00846939	Dr. Arvind Krishna Saxena	Whole-time Director	31.07.2008
5	03059141	Mr. Naresh Dayal	Non-executive Director	15.11.2016
6	00885567	Ms. Veena Hingarh	Independent Director	31.08.2019
7	00462925	Ms. Mamta Binani	Independent Director	05.11.2020

We further certify that none of the aforesaid Directors on the Board of the Company for the financial year ended on 31 March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 24th May, 2022
Place: Kolkata
UDIN: A011470D000376912

Annexure VI to the Board's Report

BUSINESS RESPONSIBILITY REPORT

About Balrampur Chini Mills Limited:

Balrampur Chini Mills Limited ("the Company") is one of the largest integrated sugar manufacturing companies in India. The Company has 10 factories in Uttar Pradesh possessing a cane crushing capacity of 77,500 tonnes per day in aggregate while its distilleries possess an aggregate capacity of 560 kilolitres per day and cogeneration capacity of 281.97 megawatts (saleable 175.7 megawatts).

About this report:

Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations"), prescribe that the Top 1000 companies based on market capitalization as on March 31st of every financial year, shall have "Business Responsibility Report" as part of their Annual Report. Since the Company is one of the Top 1000 companies based on market capitalization, following is the Business Responsibility Report ("the BR Report") of the Company for the FY 21-22.

Further, since the Business Responsibility & Sustainability Reporting (BRSR) is voluntary for FY 21-22, the Company has endeavored to provide some of the details as required under BRSR on best effort basis in the ESG Report in Initial Section of the Annual Report.

The Business Responsibility Policy of the Company is based on the National Guidelines on Responsible Business Conduct issued by the Ministry of Corporate Affairs, Government of India. The BR Report has been prepared in accordance with Regulation 34 of the Listing Regulations and provides the requisite information as prescribed by SEBI.

SECTION A: General information about the Company:

1.	Corporate Identity Number (CIN) of the Company:	L15421WB1975PLC030118	
2.	Name of the Company:	Balrampur Chini Mills Limited	
3.	Registered Address:	234/3A, A J C Bose Road, FMC Fortuna, 2nd Floor, Kolkata 700020	
4.	Website:	www.chini.com	
5.	Email ID:	bcml@bcml.in	
6.	Financial Year Reported:	2021-22	
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Manufacturing of Sugar	10721
		Production of Industrial Alcohol	1101
		Generation of Power	35106
8.	List three key products/services that the Company manufactures/provides (as in balance sheet):	1. Sugar 2. Industrial Alcohol 3. Power (Co-generation)	
9.	Total number of locations where business activity is undertaken by the Company:	1. Number of International Locations (Provide details of major 5) – Nil 2. Number of National Locations: The Company carries out its operations through its Registered Office in Kolkata (West Bengal), offices in New Delhi and Lucknow and 10 Manufacturing Facilities located across Eastern and Central Uttar Pradesh at Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur.	
10.	Markets served by the Company – Local/ State/National/International	Local	✓
		State	✓
		National	✓
		International	x

SECTION B: Financial details of the Company:

1.	Paid up Capital (INR)	2040.40 Lakhs
2.	Total Turnover (INR)	484602.68 Lakhs (including other operating revenue)
3.	Total profit after taxes (INR)	51465.77 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹1119.67 Lakhs (Excluding the set off) Around 2% of average net profit of last three financial year
5.	List of activities in which expenditure in 4 above has been incurred:-	Please refer to Annexure IV to the Board's Report forming part of this Annual Report.

SECTION C: Other Details:

1. Does the Company have any Subsidiary Company/ Companies?

   No, the Company does not have any subsidiary as on 31st March, 2022.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Not Applicable as there are no subsidiary companies.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

   Yes (30%)

SECTION D: BR Information:

1. Details of Director/Directors responsible for BR

a. Details of the Director/Directors responsible for implementation of the BR policy/policies

   1. DIN Number: 00846939
   2. Name: Dr. Arvind Krishna Saxena
   3. Designation: Whole-time Director

b. Details of the BR head

No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Mr. N. K. Agarwal* Mr. Praveen Gupta
3.	Designation	Executive President
4.	Telephone number	097214 50393 09651769295
5.	e-mail id	nk.agarwal@bcml.in pravin.gupta@bcml.in

*Mr. N. K. Agarwal shall retire w.e.f. 29th May, 2022.

Principles as per NGRBC / BR Policy

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

2. Principle-wise (as per NVGs) BR Policy/policies:

(a) Details of compliance:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, the Policy is based on the "National Guidelines on Responsible Business Conduct" released by the Ministry of Corporate Affairs, Government of India. Apart from this, the policies are based on the generally accepted practices for the respective principles.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, the Board of Directors of the Company has approved the Policy at their meeting held on 15th November, 2016 and the same was revised in the meetings of the Executive Committee of the Board and Board Meeting held on 29th November, 2018 and 10th February, 2020 respectively. The Policy has been signed by the Company Secretary, pursuant to the authorization by the Board.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://chini.com/sustainability/governance/policies								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policy has been posted on the Company's website for information of all stakeholders in addition to internal stakeholders, other appropriate communication means like Notice Boards, etc., are used.								
8.	Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The implementation of the Business Responsibility Policy was evaluated by the Internal Auditors of the Company, being an independent audit firm, who reports issues, if any, to the Board of Directors of the Company.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Annually. During the year under review the Board of Directors has reviewed the BR performance of the Company at their meeting held on 2nd February, 2022.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has published its Business Responsibility Report (on an annual basis) from the financial year 2016-17 and onwards and the same forms part of the relevant Annual Reports. Since last year the Company is giving sustainability data also in the initial section of the Annual Report. Further an ESG profile of the Company prepared by an Independent third party has been uploaded on the website of the Company. The same can be accessed on the website of the company www.chini.com.

SECTION E: Principle-wise performance:

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company's policies on Ethics, Transparency and Accountability along with the Company's Code of Conduct and Business Ethics ("the Code") are applicable to all directors and employees of the Company. The directors and employees of the Company are expected to read and understand the Code, uphold the standards mentioned thereunder in their day-to-day activities and comply with all applicable laws, rules and regulations. The Company also has in place a Vigil Mechanism Policy (This Policy may also be called as "Whistle–Blower Policy").

There is no group structure or joint venture of the Company (except an Associate Company). The Company does not have any subsidiary. The Company is also encouraging parties associated with it like vendors, suppliers, contractors, etc., to follow the principles envisaged in the Policy.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	Complaints Received during FY 2021-22	Complaints Resolved during FY 2021-22	Complaints Resolved (%)
Investors' Complaints (including inquiries)	319	319	100%
Customers' Complaints	4	4	100%
Total	**323**	**323**	**100%**

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is engaged in manufacturing of sugar, industrial alcohol and co-generation of power. All the products of the Company take care of the social / environment concerns and risks. The quality of the sugar produced by all the units of the Company exceeds the minimum quality requirements as mentioned in various Indian standards example IS1151, IS5982, IS498. Further, Rauzagaon Unit has been certified (for Refined Sugar) as meeting the requirements of Food Safety System Certification FSSC22000, a certification scheme for food safety management systems consisting of elements under ISO 22000:2018, ISO/TS/22002-1:2009, etc. The Company has bagasse-based power generation facilities, which is a great alternative to fossil fuels and reduces greenhouse gas emission to safeguard the environment. The Company has also invested in optimisation of power and steam consumption which saves additional bagasse and provides additional raw material for enhanced running of capacities already installed. Earlier the effluents from sugar mills was considered a nuisance, however, with improved effluent treatment systems now available, the treated effluent has become a boom for farmers for land irrigation. The treated water is recycled through RO Plants to substitute fresh water requirements.

Further, based on research and development activities, the Company is converting its waste materials into rich fertilizers for farmers.

The Industrial Alcohol producing units are running on Zero Liquid Discharge (ZLD) technology and therefore, does not have any negative impact on the environment.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   The Company has progressively invested in optimum use of resources. The core cane crushing operation generates molasses (as by-product) and bagasse (as waste); molasses is utilised to manufacture ethanol (a green fuel) while bagasse is being utilised to generate green power.

Sugar is traditionally a water surplus industry as Cane has inherent water content of 68-72% (680-720 litres per MT of cane). Further about 180 -200 litres of ground water is used per MT of cane. Out of the total generation quantity approximately 48-50% (Say 480 litres per MT of cane) evaporates through cooling towers, approximately 3-4% (say 30 litres per MT of cane) are flash losses inside the factory, approximately 17-18% (say 170 litres per MT of cane) is carried forward along with products, by-products and waste products, while the remaining 18-20% (say 180 litres per ton cane crush) is sent to ETP for treatment and then is allowed to be discharged to surface water system.

All our sugar units are now equipped with the latest effluent treatment plants (ETP) coupled with buffer storage reservoirs to avoid shock load of the ETP and with reservoirs (lagoons) for irrigation to comply with pollution control board norm for treated discharge water. We are one of the few companies having Sulphate removal system installed at all our units for the treatment of overflow water from cooling tower and spray pond. Further though we are not in Ganga Basin, we have upgraded our ETP and are 100% compliant to the pollution control norms.

The Company has been continuously focussing on how to reduce its water drawal from the ground and has reduced it due to its concerted efforts. This year the Company installed a biological treatment base sugar vapour CPU unit in Kumbhi on pilot basis to achieve its target of zero fresh water withdrawal and successfully achieved the same. The Company is replicating this experiment and investments to its other units as well in a phased manner.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company regularly makes investments to reduce energy and water consumption and its spreading awareness regarding the same to its consumers as well. However, the data regarding reduction during usage by consumers is not available with the Company

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company deploys sustainable procurement practice. All the plants of the Company are strategically situated close to cane growing area. Entire raw material is procured sustainably. Since the inputs are procured from sources close to the units, it also helps in minimizing transportation costs. Cane is also supplied by small and medium farmers through their carts. Further, the Company has set up collection centres from where it transports to the factory in an efficient manner. This significantly reduces the environmental impact of transportation of raw materials. Further, the Company has secured its sustainable cane sourcing commitment by achieving small holders certificate for Rauzagaon Unit from Bonsucro which is an internationally acclaimed accredition agency.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company sources almost 100% of its raw materials (that is, sugarcane) from areas near to the units. It procures cane from the farmers (including small and medium farmers) based on the areas allotted to the respective units by the Cane Commissioner. The Company works closely with cane growers of the allotted areas to improve their productivity. In order to achieve this, the Company shares knowledge and expertise in sustainable agriculture practices with the farmers for cane cultivation. Besides this, the farmers are also guided on selection and use of right type of agri-inputs. These developmental activities help in improvement of quality and yield of cane thereby benefitting the Company as well as the farmers. The Company has been highly effective in encouraging farmers to grow the best variety of cane. Further, the Company has developed a mobile app by the name of Balram App to educate and disseminate important information to farmers.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The core cane crushing operation generates molasses as a by-product which is utilised to manufacture ethanol. Waste generated from sugar crushing operation (bagasse) & distillery operation (spent wash) are used as fuel for generating clean energy. Further, Boiler Ash generated from Incineration Plants is rich in Potash and thereby serves as a vital soil nutrient. We have installed potash granulation plant for converting the rich potash resource into a form which can be used as agri inputs. Thus the by-products and waste generated out of manufacturing processes are mostly recycled. The Company has also installed plants to covert the Carbon Dioxide (which was being released in distillation process) to dry ice which is being sold as a product to user companies, thus generating revenue out of a waste product and reducing its carbon footprint as well. The Company has also complied with its Extended Producer Responsibility (EPR) obligations with respect to plastic usage.

Principle 3

		As on 31st March, 2022
1.	Please indicate the Total number of employees.	6350 (Includes Permanent and Seasonal Permanent employees but does not include Badli Workers, Retainers, Advisors etc.,)
2.	Please indicate the Total number of employees hired on temporary/ contractual/casual basis.	Sugar Industry being a seasonal industry, the Company has different number of employees hired on seasonal basis during the season and off-season. In view of this, the number of employees hired on seasonal / temporary / contractual / casual basis as on 31st March, 2022 would not be meaningful and hence not provided.
3.	Please indicate the Number of permanent women employees.	9 (All our units are situated in rural areas of UP where women employees are reluctant to work in factories)
4.	Please indicate the Number of permanent employees with disabilities.	2
5.	Do you have an employee association that is recognized by management.	Yes
6.	What percentage of your permanent employees is members of this recognized employee association?	The Company has 10 Sugar Mills located across Eastern and Central Uttar Pradesh. The factory-wise percentage varies from Nil to around 70%.
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
a.	Permanent Employees	77%
b.	Permanent Women Employees	44%
c.	Casual/Temporary/Contractual Employees	29%
d.	Employees with Disabilities	100%

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No

   Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

   The Company identifies marginal growers with very small land holdings around its units as disadvantaged, vulnerable & marginalised stakeholders. The Company continuously engages with majority of them for identifying their needs & priorities and provides need based resolution to their problems.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   Developmental activities are carried out by the Company by providing necessary guidance to the small and marginalized growers towards selection of right variety of seed, training in technology and agri-inputs, etc. which has helped them to increase their income sustainably.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

   The Company's policy on respecting and promoting human rights is applicable to all directors and employees of the Company. The Company is gradually encouraging vendors, suppliers, contractors, etc., associated with it, to follow the principles envisaged in the Policy. There is no group structure or joint venture or subsidiary of the Company, except an Associate Company which too follows its human right policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   No complaint was received pertaining to human rights violation during the past financial year.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.

The Company's policies on Respecting, Promoting and Restoring the Environment and in relation to Environment, Health & Safety (EHS) are applicable to all directors and employees of the Company. The Company is gradually encouraging vendors, suppliers, contractors, etc. associated with it to follow the principles envisaged in the Policy. The EHS Policy also covers the contractors engaged by the Company. There is no group structure or joint venture or subsidiary of the Company, except an Associate Company. The associate company is in service industry and follows the policy as much as is applicable to its industry.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Global environment issues such as climate change, global warming, GHG emissions pose challenges to all. The Company is totally committed to reduce their impact and has put up captive power plants where Bagasse (waste generated) is used as fuel for generating renewable power thus contributing to reduction of Green House Gas. At the Distillery, Spent Wash (effluent generated) is mixed with Bagasse and used as fuel in boilers to generate clean energy with minimal carbon footprint by incineration process.

   There is no usage of non-renewal resources except in case of power outages/emergency. The Company has installed ESP and wet scrubbers at the boilers to arrest / control air pollution. The Company has been planting thousands of trees to reduce the carbon footprint and address the issues related to climate change. This year it has planted more than 150000 (One Lakh Fifty Thousand) trees which is much higher than the previous year. Tree plantation helps in green house reduction to a great extent as a matured tree on a conservative basis can reduce 10 kgs (22 lbs) of carbon dioxide (CO2) per year.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes, the Company has undertaken several initiatives on clean technology, energy efficiency, renewable energy, etc. The Company has achieved spectacular results in utilisation of hazardous and pollutant industrial waste namely Spent Wash. This waste is used as a fuel at the incineration boilers of the Company for generating clean energy.

   Further details relating to conservation of energy can be found in Annexure II forming part of the Board's Report.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   All the emissions / waste generated by the Company during the financial year 2021-22 are well within the permissible limits given by CPCB / SPCB.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   No show cause/ legal notices from CPCB/SPCB are pending as on 31st March, 2022.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   The Company is member of various trade, industry and chamber associations like CII, FICCI, Indian Chamber of Commerce, Indian Sugar Mills Association, UP Sugar Mills Association, UP Sugar Mills Co Gen Association, etc.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   The Company prefers to be part of the broader policy development process taking into account the Company's as well as larger national and stakeholders' interest. However, it does not practice lobbying on any specific issue.

Principle 8

1. Does the company have specified programmes / initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

   The CSR initiatives of the Company ensures its commitment to operate in an economically, socially and environmentally sustainable manner in the best interest of all the stakeholders. CSR activities are carried on by the Company directly or through:

   I. Balrampur Foundation,

   II. Other societies, trusts, hospitals, funds or organisations engaged in CSR activities, as may be approved by the CSR Committee of the Board.

The details of programmes/ initiatives/ projects in pursuit of the CSR policy are provided in the Annual Report on CSR forming part of the Board's Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

   The programmes/projects are undertaken by the Company either directly and/ or through Implementing Agencies as defined in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

3. Have you done any impact assessment of your initiative?

   The Company assesses the impact of its CSR Projects and Programmes at Board and CSR Committee meetings. Updates on the utilisation, certifications and details received from the implementing agencies are placed at the CSR Committee meetings for its review and assessment.

   Although not mandatory, the Board of Directors of the Company has appointed an independent impact assessment agency viz. Third Planet Foundation to carry out the Impact Assessment of the CSR interventions of the Company. As per the Impact Assessment Report issued by Third Planet Foundation in May, 2022, the CSR interventions of the Company have created a very meaningful and needful impact in the community and all the thematic areas have shown growth, outcomes and impact across all the location. The CSR Committee and the Board of Directors of the Company took a note of the same at their respective meetings held on 21st May, 2022 and 24th May, 2022, respectively. The Impact assessment Report is available on the Company's website at the following web-link: https://chini.com/sustainability/social/

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

   The Company has spent an amount of ₹1,119.67 Lakhs in various CSR activities during the FY 2021-22. The details of the amount incurred and areas covered are given in Annexure - IV (Annual Report on CSR) forming part of the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Various community development initiatives are undertaken by the Company after identifying the needs of the communities requiring development. The Company also interacts with the stakeholders to ensure that its projects are being implemented effectively. Apart from this, the Company also procures details of utilization /certificates of utilisation from the implementing agencies to which the Company has contributed for community development.

   Further the Company has engaged an Independent Professional Agency for Impact Assessment which has stated that the Community Development initiatives have been successfully adopted by the Community.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   The Company has successfully resolved 100% of the complaints received during the financial year ended 31st March, 2022 and no complaint relating to the current year or an earlier year is pending.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

   Yes, the applicable product information, wherever it is sold in packed condition, is displayed on the bags. Besides, the Company complies with the applicable regulations as provided in Legal Metrology Act, Bureau of Indian Standards Specifications, Food Safety and Standards Act and the relevant rules prescribed therein.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   The Company ensures customer satisfaction by obtaining informal feedback from the wholesellers / agents from the market as there is no retail sale by the Company. Further, the website of the Company has a specific section where customers can post their queries, grievances and feedback for the products of the Company.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Dr. Arvind Krishna Saxena	**Vivek Saraogi**
Place: Kolkata	*Whole-time Director*	*Chairman and Managing Director*
Date: 24th May, 2022	DIN – 00846939	DIN – 00221419

Annexure VII to the Board's Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To
The Members,
BALRAMPUR CHINI MILLS LIMITED

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

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India due to COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2022, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (as amended) (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

   e) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

   i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:

   a) The Sugar (Control) Order, 1966;

b) The Food Safety And Standards Act, 2006 and Rules and Regulations made there under;

c) The Essential Commodities Act,1955;

d) The Legal Metrology Act, 2009;

e) The Electricity Act, 2003;

f) The U.P. Sugar Cane (Regulation of Supply & Purchase) Act, 1953.

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

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

We further report that:

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

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

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the audit period the Company has obtained approval of its shareholders by means of special resolution for

(i) Re-appointment of Mr. Vivek Saraogi (DIN: 00221419) as the Managing Director of the Company for a further term of 5 years with effect from 1st April, 2022;

(ii) Issue of Redeemable Non-convertible Debentures on private placement basis up to an amount of ₹140 Crores.

We further report that the offer for buyback of equity shares of the company as approved by the Board of Directors at their meeting held on 9th August, 2021, opened on 17th August, 2021 and closed on 21st October, 2021. Under the offer the company has bought back 59,60,000 equity shares at a total sum of ₹215.24 crores excluding transaction costs. All the shares bought back have been extinguished.

This report is to be read with our letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 24th May, 2022
Place: Kolkata
UDIN: A011470D000376934

Annexure I

To
The Members,
BALRAMPUR CHINI MILLS LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 24th May, 2022
Place: Kolkata
UDIN: A011470D000376934

Financial Section

STANDALONE
Financial Statements

Independent Auditors' Report

To
The Members of
Balrampur Chini Mills Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of **Balrampur Chini Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone 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 standalone financial statements for the financial year ended 31st March, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the key audit matters for incorporation in our report.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our opinion on the accompanying standalone financial statements.

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
1.	**Valuation and determination of Inventory** As on 31st March, 2022, the Company has inventory of sugar with the carrying value of ₹ 179471.85 Lakhs which forms significant part of the total assets of the Company. The inventory of sugar is valued at the lower of cost and net realizable value. Significant judgement is involved in determining • the cost of production of sugar which is dependent upon variability in seasonal factors including number of sugarcane crushing days, recovery of sugar from cane and valuation of the products incidental to production of sugar.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the inventory include the following:** • Evaluating the accounting policy followed for valuation of inventory of sugar and appropriateness thereof with respect to relevant Indian Accounting Standards in this respect. • Review of the process of physical verification of sugar and its reconciliation with the book stock. • Understanding and testing the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar and consistency with respect to policy followed in this respect.

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
	• the realizable price of sugar which is factored by minimum sale price, monthly quota and fluctuation in domestic and international selling prices.	• Assessing the adequacy of the method used, relevance and reliability of data and the systems & procedures followed for arriving at the cost of sugar inventory. • Review of the selling price of sugar prevailing at the year end and subsequent to the same and directives of the Government concerning minimum sale price, monthly quota and initiative taken by the company ensuring the compliances thereof.
2.	**Recognition of Deferred tax assets and liabilities** Deferred tax assets pertaining to MAT Credit entitlement amounting to ₹ 13796.19 Lakhs as on 31st March, 2022, which includes amount recognised in earlier years has been continued in the books of accounts in this year. Recognition of deferred tax assets and liabilities is based on expected utilization and/ or reversal thereof considering the management's projection of future taxable income of the company. This involves estimation of future operations and profitability based on assumptions and anticipations which may be in variance with the actual happening.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the recognition of deferred tax assets include the following:** • Evaluation of the temporary differences and utilization/ reversal of deferred tax assets and liabilities based on internal forecasts by the management and resultant impact on future taxable income of the Company. • The above includes critical review of underlying assumptions for consistency and arriving at reasonable level of probability on the matters with due regard to the current and past results and performances, as required in terms of Ind AS 12 'Income Taxes' and principles in this regard. • Review of management's assumption with respect to profit in future periods and taxability thereof and placing reliance on such assumptions and projections given the current scale of operations and prevailing conditions and situations.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements, consolidated financial statements and our auditors' report thereon. Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 with respect to the above.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE 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 standalone 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 the accounting principles generally accepted in India, including the Indian Accounting Standards notified under section 133 of the Act read with relevant rules, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 standalone 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 standalone 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 controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards notified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time;

   e) On the basis of the written representations received from the Directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

   f) With respect to the adequacy of the internal financial controls with reference to the standalone 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 internal control with reference to the standalone financial statements of the Company.

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), in our opinion and to the best of our information and according to the explanations given to us:

   i. Pending litigations (other than those already recognised in the standalone financial statements) having material impact on the financial position of the Company have been disclosed in the standalone financial statements as required in terms of accounting standards and provisions of the Act– refer Note No. 36(1)(a), 36(1)(b) and 36(3)(b) to the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

   iv. a. The management has represented that, to the best of its knowledge and belief as disclosed in Note No. 36(19A)(ii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   b. The management has represented that, to the best of its knowledge and belief as disclosed in Note No. 36(19A)(ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note No. 36(18)(b) to the standalone financial statements, the interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the remuneration (including sitting fees) paid by the Company to its Directors during the current financial year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For LODHA & CO
Chartered Accountants
Firm's Registration No.- 301051E

sd/-
R. P. SINGH
Partner
Membership No.- 052438
UDIN: 22052438AJMSMK9535

Place: Kolkata
Date: 24th May, 2022

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of M/s Balrampur Chini Mills Limited)

i. In respect of the Company's property, plant and equipment and intangible assets

   a. A. The Company has maintained proper records showing full particulars, including quantitative details and situations of its property, plant and equipment;

      B. The Company has maintained proper records showing full particulars of intangible assets;

   b. During the year, property, plant and equipment have been physically verified by the management according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

   c. According to the information and explanations given to us and based on our examination of the relevant records of the Company, the title deeds of all immovable properties (other than properties where the Company is lessee and lease agreements are duly executed in favour of the lessee), as disclosed in Note No. 4 on property, plant and equipment to the standalone financial statements, are held in the name of the Company as on the balance sheet date;

   d. The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable to the Company;

   e. According to the information and explanations given to us and as represented by the management, no proceedings have been initiated during the year or are pending against the Company as at the 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, as amended from time to time. Accordingly, reporting under paragraph 3(i)(e) of the order is not applicable to the Company.

ii. According to the information and explanations given to us and based on our examination of the books of account of the Company:

   a. The inventories of the Company have been physically verified by the management during the year at reasonable intervals and in our opinion coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its inventory. The discrepancies noticed on physical verification of inventories were not 10% or more in aggregate for each class of inventory and have been properly dealt with in the books of the account;

   b. The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of certain current assets in respect of which monthly statements (hereinafter referred to as "Statements") have been filed with the banks. These Statements have been prepared in accordance with the books of account and there are no material differences at the quarter ends in this respect other than those as set out below:

(₹ in Lakhs)

Quarter ended	Amount of current assets as charged to the banks		Differential amount with respect to books of account
	As per books of account	As per the statements filed with the banks	
30th June, 2021	165568.33	163787.23	1781.10
30th September, 2021	68939.60	65248.95	3690.65
31st December, 2021	70707.71	64573.68	6134.03
31st March, 2022	210041.83	192891.14	17150.69

The differences given herein above pertains to inventory of sugar only as all the other items of current assets as per the Statements are in agreement with the books of accounts of the Company. In respect of inventory of sugar also, though there are no differences in quantitative terms, differences have arisen primarily due to the variation in the basis of valuation followed for respective purposes. Sugar Inventory for the purpose of the Statements have been valued at Government regulated Minimum Sale Price (MSP) whereas, in books of accounts these have been carried at lower of cost or net realizable value as per the accounting policy followed in this respect by the Company. (Also refer note no. 36(19A)(iii) of the standalone financial statements).

iii. The Company has not made investments or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting under paragraph 3(iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the investments made. As the company has not granted any loan to directors or to parties wherein directors are interested provisions of section 185 is not applicable to the company.

v. According to the information and explanation given to us and based on our examination of the books and records of the Company, the Company has neither accepted any deposits or amount deemed to be deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly, reporting under paragraph 3(v) of the order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us and based on our examination of the books of account:

a. During the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to it. There are no undisputed amounts in respect of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable;

b. The details of statutory dues referred to in sub clause (vii)(a) above, which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act	Central Sales Tax	1.08	2009-10	Dy. Commissioner, (Appeal) – Balrampur
Tax on Entry of Goods Act	Entry Tax	9.16	2008-09 to 2011-12	Additional Commissioner, Gonda
Tax on Entry of Goods Act	Interest on Entry Tax	41.23	2012-2018	High Court, Lucknow
The Indian/ Uttar Pradesh Stamp Act	Stamp Duty	110.12	1991-92 to 2010-11	High Court, Lucknow

viii. In our opinion and on the basis of information and explanations given to us and as represented by the management, we have neither come across nor have been informed of transactions which were previously not recorded in books of account and that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and accordingly reporting under paragraph 3 (viii) of the Order is not applicable.

ix. In our opinion and on the basis of information and explanations given to us and based on our examination of the books of account of the Company:

a. During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender;

b. The Company has not been declared wilful defaulter by any bank or financial institution or any other lenders;

c. During the year, no term loan has been availed by the Company and accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable;

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company;

e. The Company has not taken any funds from any entity or person on account of or to meet obligation of its Associate. The Company does not have any subsidiaries or joint ventures; and

f. The Company has not raised loans during the year on the pledge of securities held in its Associate. The Company does not have any subsidiaries or joint ventures.

x. According to the information and explanations given to us and based on our examination of the books of account of the Company:

a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under paragraph 3(x)(a) of the Order is not applicable;

b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally) during the year and accordingly, reporting under paragraph 3(x)(b) of the Order is not applicable.

xi. a. During the course of our examination of books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such cases by the management;

b. No report under sub-section (12) of section 143 of the Act, has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended from time to time) with the Central Government, during the year and up to the date of this report;

c. According to the information and explanation given to us and based on our examination of the books of account of the company, no whistle blower complaints have been received during the year by the company. Accordingly reporting under paragraph xi (c) of the order is not applicable.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the Nidhi Rules, 2014 is not applicable to it, hence, the reporting under paragraph 3(xii) (a, b, & c) of the Order is not applicable.

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 provisions of sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. The Company has appointed a firm of Chartered Accountants to carry out the internal audit of the Company. In our opinion and according to the information and explanations given to us the internal audit system is commensurate with the size and nature of its business. We have considered, during the course of our audit, the reports of the internal auditor for the period under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

xv. According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence, reporting under paragraph 3(xv) of the Order is not applicable.

xvi. According to the information and explanations given to us and based on our examination of the books and records of the Company:

a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934;

b. The Company has not conducted any non-banking financial or housing finance activities during the year;

c. The Company is not a Core Investment Company (hereinafter referred to as "CIC") as defined in the Core Investment Companies (Directions), 2016, as amended from time to time, issued by the Reserve Bank of India and hence, reporting under paragraph 3(xvi)(c) of the Order is not applicable; and

d. In our opinion and based on the representation received from the management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under paragraph 3(xvi)(d) of the Order is not applicable.

xvii. Based on the examination of the books of accounts we report that the Company has not incurred cash losses in the current financial year covered by our audit or in the immediately preceding financial year.

xviii. There has been no resignation of statutory auditors during the year and hence, reporting under paragraph 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and based on the financial ratios (refer Note No. 36(19B) to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying standalone 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 given 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. According to the information and explanations given to us and based on our examination of the books and records of the Company there are no unspent amount towards Corporate Social Responsibility (CSR) on either ongoing projects or other than ongoing projects under section 135 of the Act and accordingly, reporting under paragraph 3(xx) (a) & (b) of the Order is not applicable for the year.

xxi. The reporting under paragraph 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements.

For LODHA & CO
Chartered Accountants
Firm's Registration No.- 301051E

sd/-
R. P. SINGH
Partner
Membership No.- 052438
UDIN: 22052438AJMSMK9535

Place: Kolkata
Date: 24th May, 2022

Annexure "B" to the Independent Auditors' Report

(Referred to in point (f) of paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of M/s Balrampur Chini Mills Limited)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Balrampur Chini Mills Limited ("the Company") as at 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENT

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 the standalone 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 the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone 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 standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the standalone financial statements to future periods are subject to the risk that the internal financial control with reference to the standalone 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 financial controls with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at 31st March, 2022, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For LODHA & CO
Chartered Accountants
Firm's Registration No.- 301051E

sd/-
R. P. SINGH
Partner
Membership No.- 052438
UDIN: 22052438AJMSMK9535

Place: Kolkata
Date: 24th May, 2022

Standalone Balance Sheet as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022		As at 31st March, 2021	
ASSETS					
Non - current assets					
(a) Property, plant and equipment	4	163267.37		159775.40	
(b) Capital work-in-progress	4A	20430.05		1447.90	
(c) Intangible assets	5	97.26		82.95	
(d) Financial assets					
(i) Investments	6	15750.00		17713.13	
(ii) Trade receivables	7(i)	-		-	
(iii) Other financial assets	8(i)	204.66		214.21	
(e) Non-current tax assets (net)	9	1142.34		641.38	
(f) Other non-current assets	10	9143.20		878.24	
Total Non-current assets			**210034.88**		**180753.21**
Current assets					
(a) Inventories	11	220050.73		237845.71	
(b) Biological assets	12	18.95		6.08	
(c) Financial assets					
(i) Trade receivables	7(ii)	13672.39		24546.35	
(ii) Cash and cash equivalents	13	32.18		44.67	
(iii) Bank balances other than cash and cash equivalents	14	295.40		235.22	
(iv) Other financial assets	8(ii)	274.77		9547.60	
(d) Other current assets	15	3307.48		3211.98	
Total Current assets			**237651.90**		**275437.61**
TOTAL ASSETS			**447686.78**		**456190.82**
EQUITY AND LIABILITIES					
Equity					
(a) Share capital	16	2040.40		2100.00	
(b) Other equity	17	273775.70		254284.60	
Total equity			**275816.10**		**256384.60**
Liabilities					
Non - current liabilities					
(a) Financial liabilities					
(i) Borrowings	18(i)	14419.87		24227.34	
(ii) Lease liabilities	19	91.72		100.18	
(b) Deferred income	21	222.52		717.66	
(c) Provisions	22(i)	957.44		820.85	
(d) Deferred tax liabilities (net)	23	7199.53		4728.23	
Total Non-current Liabilities			**22891.08**		**30594.26**
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	18(ii)	106543.03		99693.89	
(ii) Lease liabilities	19	16.63		16.63	
(iii) Trade and other payables	24				
(a) Trade payables					
Total outstanding dues of micro enterprises and small enterprises		205.18		128.75	
Total outstanding dues of creditors other than micro enterprises and small enterprises		27579.37		59174.93	
(b) Other payables					
Total outstanding dues of micro enterprises and small enterprises		406.92		26.46	
Total outstanding dues of creditors other than micro enterprises and small enterprises		2637.03		314.48	
(iv) Other financial liabilities	20	7542.21		5517.49	
(b) Deferred income	21	495.14		750.15	
(c) Other current liabilities	25	2880.20		3053.50	
(d) Provisions	22(ii)	673.89		535.68	
Total Current liabilities			**148979.60**		**169211.96**
TOTAL EQUITY AND LIABILITIES			**447686.78**		**456190.82**
Accompanying notes 1 to 36 are an integral part of the standalone financial statements.					

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

Standalone Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
Revenue from operations	26	484602.68	481165.70
Other income	27	4791.11	3344.81
Total income		**489393.79**	**484510.51**
Expenses:			
Cost of materials consumed	28	326173.02	351186.14
Changes in inventories of finished goods, by-products and work-in-progress	29	19441.60	(5583.15)
Employee benefits expense	30	30780.44	28164.99
Finance costs	31	3086.89	3929.59
Depreciation and amortisation expense	32	11386.49	11187.64
Other expenses	33	38237.81	36014.40
Total expenses		**429106.25**	**424899.61**
Profit before exceptional items and tax		**60287.54**	**59610.90**
Exceptional items	36(14)	5273.75	-
Profit before tax		**65561.29**	**59610.90**
Tax expense	34		
Current tax		11465.79	10259.89
Deferred tax		2629.73	2373.79
Total tax expense		**14095.52**	**12633.68**
Profit for the year		**51465.77**	**46977.22**
Other comprehensive income	35		
Items that will not be reclassified to profit or loss		(556.12)	(85.63)
Income tax relating to items that will not be reclassified to profit or loss		194.33	29.92
Total other comprehensive income for the year		**(361.79)**	**(55.71)**
Total comprehensive income for the year		**51103.98**	**46921.51**
(Comprising of profit and other comprehensive income for the year)			
Earnings per equity share of ₹ 1/- each	36(7)		
- Basic and Diluted (₹)		24.86	22.01
Weighted average number of shares used in computing earnings per share			
- Basic and Diluted		207022892	213452055
Accompanying notes 1 to 36 are an integral part of the standalone financial statements.			

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

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Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

Standalone Statement of Changes in Equity for the year ended 31st March, 2022

(a) Equity share capital

For the year ended 31st March, 2022 (₹ in Lakhs)

Opening balance as at 1st April, 2021	Changes in equity share capital during the year [Refer Note No. 16(c)]	Closing balance as at 31st March, 2022
2100.00	(59.60)	2040.40

For the year ended 31st March, 2021 (₹ in Lakhs)

Opening balance as at 1st April, 2020	Changes in equity share capital during the year [Refer Note No. 16(c)]	Closing balance as at 31st March, 2021
2200.00	(100.00)	2100.00

(b) Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus						Other comprehensive income	Total other equity
	Capital reserve	Securities premium	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Opening balance as at 1st April, 2021	**1075.58**	**-**	**3004.48**	**36.09**	**150000.00**	**100168.45**	**-**	**254284.60**
Changes in equity during the year ended 31st March, 2022								
Profit for the year	-	-	-	-	-	51465.77	-	51465.77
Other comprehensive income for the year	-	-	-	-	-	-	(361.79)	(361.79)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**51465.77**	**(361.79)**	**51103.98**
Transfer on account of buy-back of equity shares [Refer Note No. 36(4)]	-	-	59.60	-	-	(59.60)	-	-
Utilised on account of buy-back of equity shares [Refer Note No. 36(4)]	-	-	-	-	-	(21464.28)	-	(21464.28)
Tax on buy-back of equity shares [Refer Note No. 36(4)]	-	-	-	-	-	(4986.76)		(4986.76)
Buy-back expenses (net of tax ₹ 61.26 Lakhs) [Refer Note No. 36(4)]	-	-	-	-	-	(114.04)		(114.04)
Storage fund for molasses created during the year [Refer Note No. 17(v)]	-	-	-	53.20	-	-	-	53.20
Transfer to/from retained earnings	-	-	-	-	20000.00	(20361.79)	361.79	-
Interim dividend [Refer Note No. 36(18) (b)]	-	-	-	-	-	(5101.00)	-	(5101.00)
Closing balance as at 31st March, 2022	**1075.58**	**-**	**3064.08**	**89.29**	**170000.00**	**99546.75**	**-**	**273775.70**

Standalone Statement of Changes in Equity for the year ended 31st March, 2022 *(contd...)*

(b) Other equity *(contd...)*

(₹ in Lakhs)

Particulars	Reserves and surplus						Other comprehensive income	Total other equity
	Capital reserve	Securities premium	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Opening balance as at 1st April, 2020	**1075.58**	**9819.98**	**2904.48**	**87.19**	**110000.00**	**110953.93**	**-**	**234841.16**
Changes in equity during the year ended 31st March, 2021								
Profit for the year	-	-	-	-	-	46977.22	-	46977.22
Other comprehensive income for the year	-	-	-	-	-	-	(55.71)	(55.71)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**46977.22**	**(55.71)**	**46921.51**
Transfer on account of buy-back of equity shares	-	(100.00)	100.00	-	-	-	-	-
Utilised on account of buy-back of equity shares	-	(9719.98)	-	-	-	(8180.02)	-	(17900.00)
Tax on buy-back of equity shares	-	-	-	-	-	(4193.28)	-	(4193.28)
Buy-back expenses (net of tax ₹ 44.95 Lakhs)	-	-	-	-	-	(83.69)	-	(83.69)
Storage fund for molasses created during the year [Refer Note No. 17(v)]	-	-	-	55.73	-	-	-	55.73
Storage fund for molasses written back during the year [Refer Note No. 17(v)]	-	-	-	(106.83)	-	-	-	(106.83)
Transfer to/from retained earnings	-	-	-	-	40000.00	(40055.71)	55.71	-
Interim dividend [Refer Note No. 36(18)(b)]	-	-	-	-	-	(5250.00)	-	(5250.00)
Closing balance as at 31st March, 2021	**1075.58**	**-**	**3004.48**	**36.09**	**150000.00**	**100168.45**	**-**	**254284.60**

Description of nature and purposes of each reserve have been disclosed in Note No. 17.

Accompanying notes 1 to 36 are an integral part of the standalone financial statements.

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

Standalone Cash Flow Statement for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before exceptional items and tax		**60287.54**		**59610.90**
Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities :				
Finance costs	3086.89		3929.59	
Depreciation and amortisation expense	11386.49		11187.64	
Loss /(profit) on sale/discard of property, plant and equipment (net)	744.75		(83.57)	
Sundry debit balances/advances written off	14.70		36.33	
Obsolete stores and spares written off (net)	1.05		36.67	
Provision for obsolescence /non-moving stores and spares	10.58		-	
Transfer to storage fund for molasses	53.20		55.73	
Interest income on financial assets	(37.85)		(31.44)	
Gain on buy-back of equity shares of an associate	-		(754.02)	
Dividend received from an associate	(1491.98)		-	
Liabilities no longer required written back	(274.62)		(321.22)	
Provision for doubtful advances written back	-		(1.02)	
Allowance for impaired receivables written back	(97.63)		-	
Bad debts written off	35.27		-	
Storage fund for molasses written back	-		(106.83)	
		13430.85		13947.86
Operating profit before working capital changes		**73718.39**		**73558.76**
Adjustments to reconcile operating profit to cash flow provided by changes in working capital :				
Decrease/(increase) in inventories	17783.35		(8385.25)	
(Increase)/decrease in biological assets	(12.87)		6.42	
Decrease/(increase) in trade receivables	10936.32		(617.48)	
Decrease in other current /non-current financial assets	9281.92		20227.18	
(Increase) in other current /non-current assets	(644.53)		(607.02)	
Withdrawal /(deposit) from escrow account	20.94		(6.14)	
(Decrease) in trade payables	(31244.51)		(7369.60)	
Increase /(decrease) in other current financial liabilities	1950.43		(2338.58)	
(Decrease) in other current liabilities	(173.30)		(2858.21)	
(Decrease) in provisions	(281.32)		(1424.57)	
		7616.43		(3373.25)
Cash generated from operations		**81334.82**		**70185.51**
Tax paid (net)		(11869.59)		(5264.68)
Net cash generated from operating activities (A)		**69465.23**		**64920.83**

Standalone Cash Flow Statement for the year ended 31st March, 2022 *(contd...)*

(₹ in Lakhs)

Particulars		Year ended 31st March, 2022		Year ended 31st March, 2021	
B. CASH FLOW FROM INVESTING ACTIVITIES					
Additions to property, plant and equipment, capital-work-in progress and intangible assets		(40407.80)		(10086.07)	
Sale of property, plant and equipment		760.51		309.55	
Sale of shares of an associate pursuant to buy-back		-		1019.52	
Redemption of debentures		-		554.75	
Sale of non current investment in equity shares of an associate (net of transaction cost)		7236.88		-	
Fixed deposits placed with banks		(90.81)		(97.15)	
Fixed deposits redeemed from banks		32.13		144.74	
Dividend received from an associate		1491.98		-	
Interest received on debentures/fixed deposits		38.32		41.95	
Net cash used in investing activities	**(B)**		**(30938.79)**		**(8112.71)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Payment towards buy-back of equity shares		(21523.88)		(18000.00)	
Payment of tax towards buy-back of equity shares		(4986.76)		(4193.28)	
Buy-back expenses		(175.30)		(128.64)	
Repayment of long-term borrowings		(10557.62)		(8336.53)	
Proceeds / (repayment) of short-term borrowings (net)		6849.14		(16732.93)	
Payment of lease liabilities		(8.46)		(23.98)	
Interest paid		(2965.04)		(4207.79)	
Other borrowing costs		(70.01)		(39.54)	
Interim dividend paid		(5101.00)		(5250.00)	
Net cash used in financing activities	**(C)**		**(38538.93)**		**(56912.69)**
Net (decrease) in cash and cash equivalents	**(A+B+C)**		**(12.49)**		**(104.57)**
Opening cash and cash equivalents			44.67		149.24
Closing cash and cash equivalents for the purpose of Standalone Cash Flow Statement			**32.18**		**44.67**

Footnotes:

1) The above Standalone Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

2) Cash and cash equivalents do not include any amount which is not available to the Company for its use.

3) Change in Company's liabilities arising from financing activities: (₹ in Lakhs)

Particulars	As at 31st March, 2021	Cash flows*	Non-cash flows	As at 31st March, 2022
a) Non-current borrowings from banks [Refer Note No. 18 (i)]	24227.34	-	(9807.47)	14419.87
b) Current maturities of long-term debt [Refer Note No. 18 (ii)]	10557.62	(10557.62)	10557.62	10557.62
c) Short-term borrowings # [Refer Note No. 18 (ii)]	89136.27	6849.14	-	95985.41
d) Interest accrued but not due on borrowings [Refer Note No. 20]	326.06	(326.06)	377.90	377.90
e) Lease liabilities [Refer Note No. 19]	116.81	(16.63)	8.17	108.35
Total	**124364.10**	**(4051.17)**	**1136.22**	**121449.15**

* Includes cash flows on account of both principal and interest.

Cash flows represents cash flows during the year on net basis.

4) Company has incurred ₹ 1119.67 Lakhs (Previous year: ₹ 1067.55 Lakhs) in cash on account of Corporate Social Responsibility (CSR) expenditure during the year ended 31st March 2022.

5) Cash and cash equivalents as at the Balance Sheet date consists of: (₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Balance with banks	2.69	10.07
b) Cash on hand	29.49	34.60
Closing cash and cash equivalents (Refer Note No. 13)	**32.18**	**44.67**

Accompanying notes 1 to 36 are an integral part of the standalone financial statements.

As per our report of even date attached

For LODHA & CO

Chartered Accountants

Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata

Date: 24th May, 2022

1A. Corporate information

Balrampur Chini Mills Limited ("BCML" or "Company") having Corporate Identity Number ("CIN") L15421WB1975PLC030118 is a public limited company incorporated under the provisions of the Companies Act, domiciled in India, and has its registered office located at FMC Fortuna, 2nd Floor, 234/3A, A. J. C. Bose Road, Kolkata – 700020, West Bengal, India.

The Company's shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

The Company is one of the major integrated sugar manufacturing companies in India. The principal activity of the Company is the manufacturing and sale of sugar. Besides this, the allied business activities of the Company primarily consist of manufacturing and sale of ethanol, ethyl alcohol, generation and sale of power and manufacturing and sale of agricultural fertilisers.

The standalone financial statements for the year ended 31st March, 2022 were approved for issue by the Company's Board of Directors on 24th May 2022 and are subject to adoption by the shareholders in the ensuing Annual General Meeting.

1B. Basis of preparation

These standalone financial statements ("financial statements") have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act (to the extent notified) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the standalone financial statements under historical cost convention and on an accrual basis, except certain financial instruments and biological assets which are measured in terms of relevant Ind AS at fair value/cost.

All Ind AS issued and notified till the standalone financial statements are approved for issue by the Board of Directors have been considered in preparing these standalone financial statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

All the assets and liabilities (other than deferred tax assets/liabilities) have been classified as current or non-current as per Company's normal operating cycle, and other criteria set out in Division II of Schedule III to the Companies Act, 2013. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified its operating cycle as 12 months for current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are considered non-current.

The items included in the standalone financial statements (including notes thereon) are measured using the currency of the primary economic environment in which the Company operates ("the functional currency") and are, therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs." or "₹"). All amounts disclosed in the standalone financial statements, including notes thereon, have been rounded off to the nearest two decimals of Lakhs unless otherwise stated.

1C. Recent pronouncements

(i) New and revised standards adopted by the Company

The Ministry of Corporate Affairs (MCA) vide Notification dated 18th June 2021 has issued Companies (Indian Accounting Standard) Amendment Rules, 2021. The Company has applied the following standards and amendments for the first time during the year ended 31st March 2022. These amendments had no impact on the financial statements of the Company.

The amendment under Ind AS 38 and Ind AS 37 clarifies that the definition of "asset" under Ind AS 38 and the definition of "liability" under Ind AS 37 are not revised following the revision of the definition of "asset" and "liability" in the Conceptual Framework respectively.

Reference to the "Framework for Preparation and Presentation of Financial Statements" with Ind AS has been substituted with reference to the "Conceptual Framework" under Ind AS 1, Ind AS 8, and Ind AS 34.

Certain amendments have been made under Ind AS 115 to maintain consistency with the number of paragraphs of IFRS 15.

In the definition of "recoverable amount", for the words "fair value less costs to sell", the words "fair value less costs of disposal" have been substituted. The consequential amendments are made in Ind AS 105, Ind AS 16, and Ind AS 28.

1C. Recent pronouncements *(contd...)*

(ii) Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) vide Notification dated 23rd March 2022 has issued Companies (Indian Accounting Standard) Amendment Rules, 2022. These amendments to the extent relevant to the Company's operations include:

Amendment to Ind AS 16 which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of the cost of an item of property, plant and equipment.

Amendment to Ind AS 37 specifies that the "cost of fulfilling" a contract comprises the "costs that relate directly to the contract". Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour and materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Other amendments in various standards, including Ind AS 101, Ind AS 103, Ind AS 109 "Financial Instruments", and Ind AS 41 "Agriculture", have not been listed above since these are not relevant to the Company.

Even though the Company will evaluate the impact of the above, none of these amendments are vital in nature and are not likely to have a material impact on the Company's financial statements.

2. Significant accounting policies

2.1 Revenue recognition

Revenue from contracts with customers is accounted for only when it has commercial substance, and all the following criteria are met:

(i) parties to the contract have approved the contract and are committed to performing their respective obligations;

(ii) each party's rights regarding the goods or services to be transferred and payment terms there against can be identified;

(iii) consideration in exchange for the goods or service to be transferred is collectible and determinable.

(a) Revenue from operations

The Company derives revenue primarily from the sale of manufactured goods.

Revenue is measured based on the consideration specified in the contract with the customers. It excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over the goods or services has been transferred and/or goods /services are delivered/provided to the customers. Delivery occurs when the goods have been shipped or delivered to a specific location, and the customer has either accepted the goods under the contract or the Company has sufficient evidence that all the criteria for acceptance have been satisfied.

Returns, discounts, and rebates as determined are deducted from sales.

(b) Other income

(i) Interest income

For all debt instruments measured at amortised cost, interest income is recognised using the Effective Interest Rate ("EIR"). Interest income is included in "Other income" in the Statement of Profit and Loss.

(ii) Dividend Income

Dividend income is recognised when Company's right to receive the dividend is established, i.e., in the case of interim dividend, on the date of declaration by the Board of Directors; whereas in the case of final dividend, on the date of approval by the shareholders.

(iii) Insurance claims

Insurance claims are accounted for based on claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2. Significant accounting policies *(contd...)*

2.2 Property, plant and equipment ("PPE") and Capital work-in-progress ("CWIP")

(a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, including non-recoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalised as part of the asset's cost until such time that the asset is ready for its intended use.

(b) Costs incurred subsequent to initial capitalization are included in the assets' carrying amount only when it is probable that future economic benefits will flow to the Company and can be measured reliably.

The carrying amount of the replaced part is derecognised. However, the costs of regular servicing of property, plant and equipment are recognised in the Statement of Profit and Loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for provisions are met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components. Otherwise, these are added to and depreciated over the useful life of the main asset.

The cost and related accumulated depreciation and impairment losses, if any, are eliminated from the standalone financial statements upon sale or when no future economic benefits are expected to arise from the use of the asset, and the resultant gains or losses are recognised in the Statement of Profit and Loss.

(c) Property, plant and equipment include Leasehold land classified as Right-of-use assets.

(d) Depreciation methods estimated useful lives and residual value

Depreciation on items of property, plant and equipment commences when the assets are available for their intended use. It is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset specified under Schedule II to the Companies Act, 2013, except in respect of items of "Plant and equipment" and "Vehicles" whose estimated useful lives are determined based on technical assessment and evaluation made by the technical expert to reflect the actual usage of the assets and past history of replacement.

The estimated useful lives considered are as follows:

Category	As on 31st March, 2022
Buildings	03 - 60 years
Roads	03 - 10 years
Plant and equipment	05 - 25 years
Furniture and fixtures	10 years
Vehicles	05 - 10 years
Office equipments	03 - 05 years
Computers	03 - 06 years
Electrical installations and equipment	05 - 10 years
Pipelines	15 years

The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Each item of property, plant and equipment individually costing ₹ 5,000/- or less is depreciated over one year from the date the said asset is available for use.

2. Significant accounting policies *(contd...)*

The residual values of assets (individually costing more than ₹ 5,000/-) are not more than 5% of the asset's original cost.

The estimated useful lives, residual values, and depreciation method are reviewed at least annually during each financial year-end and adjusted prospectively, wherever appropriate.

(e) Treatment of expenditure during construction period:

Property, plant and equipment that are not ready for intended use on the balance sheet date are disclosed as "Capital work-in-progress". Advances paid towards acquiring property, plant and equipment outstanding at each balance sheet date are classified as Capital advances under "Other non-current assets".

Directly attributable expenditures (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under "Capital work-in-progress".

2.3 Intangible assets

(a) Intangible assets are measured at cost, less accumulated amortization, and impairment losses, if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services, and any directly attributable expenses, wherever applicable, for bringing the asset to its working condition for the intended use.

Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset.

(b) Amortization methods estimated useful lives and residual value

Computer software is amortised on a straight-line basis over its estimated useful lives of five years from the date they are available for use.

The estimated useful lives, residual values, and amortization method are reviewed at least annually during each financial year-end and adjusted prospectively, wherever appropriate.

(c) The cost and related accumulated amortization are eliminated from the standalone financial statements upon sale or retirement of the asset. However, the resultant gains or losses are recognised in the Statement of Profit and Loss.

2.4 Inventories

(a) Inventories (other than by-products and scraps) are valued at lower of cost and net realizable value after providing for obsolescence, if any.

Cost of inventory comprises the purchase price, cost of conversion, and other directly attributable costs incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories. The cost of inventories is computed on a weighted average basis.

Net Realizable Value (NRV) is the estimated selling price in the ordinary course of business, less estimated costs of completion, and the estimated costs necessary to make the sale.

(b) By-products and scraps are valued at net realizable value.

2.5 Biological assets

Biological assets comprise Standing crops (crops under development) of sugarcane.

The biological process starts with the preparation of land for planting and seedlings and ends with harvesting crops. For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example, seedlings planted immediately before the balance sheet date), assets are measured at cost, i.e., the total expenses incurred on such plantation up to the balance sheet date. When harvested, depending upon the biological process stage, the cane is transferred to inventory at cost or at a fair value less cost to sell.

2. Significant accounting policies *(contd...)*

2.6 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the Company will comply with all the conditions attached to them.

Government grants related to property, plant and equipment, including non-monetary grants, are presented in the Balance sheet by deducting the grant arriving at the asset's carrying amount.

Government grants of revenue in nature are recognised on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with the related costs and are adjusted with the related expenditure. If not related to a specific expenditure, it is considered income and included under "Other operating revenue" or "Other income".

The benefits of a government loan at a below-market rate of interest or loan with interest subvention are treated as government grants. The loan or assistance is initially recognised at fair value. The government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised on a systematic basis in the Statement of Profit and Loss. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

2.7 Borrowing costs

Borrowing costs, general or specific that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.8 Leases

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.

The Company's lease asset class primarily consists of leases for land. At the inception of the contract, Company assesses whether a contract is or contains a lease. 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 and (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) Company has the right to direct the use of the asset.

At the date of commencement of the lease, Company recognises 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 or low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Leasehold land classified as Right-of-use assets is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortised 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.

2.9 Provisions, contingent liabilities, and contingent assets

(a) A provision is recognised if, as a result of a past event, Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

2. Significant accounting policies *(contd...)*

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation as of the balance sheet date, considering the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset. Accordingly, the expense relating to the provision is presented in the Statement of Profit and Loss, net of any reimbursement.

(b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(c) A contingent asset is not recognised in the standalone financial statements; however, it is disclosed where an inflow of economic benefits is probable.

(d) Provisions, contingent liabilities, and contingent assets are reviewed at each balance sheet date.

2.10 Dividend payable

The final dividend on equity shares is recorded as a liability on the date of approval by the shareholders. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Accordingly, a corresponding amount is recognised directly in equity.

2.11 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding on the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Any income or expense arising on foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

2.12 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits, are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered.

(b) Defined contribution plans

The Company pays provident and other fund contributions to publicly administered funds as per related Government regulations.

The Company has no further obligation other than the contributions payable to the respective funds. The Company recognises contribution payable to such funds as an expense when an employee renders the related service.

(c) Defined benefit plans

The Company operates a defined benefit gratuity plan and the contribution towards it is made to "The Balrampur Sugar Company Limited Employees Gratuity Fund" ("the Trust"). Trustees administer contributions made to the Trust, which are invested through insurance companies.

The liability or asset recognised in the Balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated by external actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in Other Comprehensive Income in the period they occur and are included in Retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

2. Significant accounting policies *(contd...)*

(d) Compensated absences

The employees of the Company are entitled to compensated absences that are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using the projected unit credit method for the unused entitlement accumulated at the balance sheet date.

The benefits are discounted using the market yields at the end of the balance sheet date that has terms approximating the terms of the related obligation. Re-measurements resulting from experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2.13 Financial instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of financial instruments. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

The Company categorises financial assets and financial liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(i) Level 1: Quoted prices (unadjusted) in active markets for identical financial assets or financial liabilities that the Company can access at the measurement date.

(ii) Level 2: Inputs other than quoted prices included within level 1 observable for the financial asset or financial liability, either directly or indirectly.

(iii) Level 3: Unobservable inputs for the financial asset or financial liability.

A. Financial assets

I. Initial recognition and measurement

The financial assets include equity securities, trade receivables, loans and advances, cash and bank balances, derivative financial instruments, and other financial assets.

Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition.

II. Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

(i) at Amortised Cost

(ii) at Fair Value Through Other Comprehensive Income (FVTOCI), and

(iii) at Fair Value Through Profit or Loss (FVTPL).

(a) Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if the following two conditions are met:

(i) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is determined using the Effective Interest Rate ("EIR") method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

(b) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are measured at fair value through Other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets, and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

2. Significant accounting policies *(contd...)*

(c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are not classified in any of the categories above are fair value through profit or loss.

(d) Equity investments

Equity investments in the scope of Ind AS 109 are measured at fair value except for investments in associates, which are carried at cost.

The Company makes an election to present changes in fair value either through OCI or through profit or loss on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. In addition, profit or loss arising on sale is also taken to OCI. The amount accumulated in this respect is transferred within the Equity.

III. De-recognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

B. Financial liabilities

I. Initial recognition and measurement

The financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, derivative financial instruments etc.

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

II. Subsequent measurement

For subsequent measurement, financial liabilities are classified into two categories:

(i) Financial liabilities at amortised cost, and

(ii) Derivative instruments at fair value through profit or loss (FVTPL).

Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. When the financial liabilities are derecognised, gains and losses are recognised in profit or loss. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

III. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

C. Derivative financial instruments

Initial recognition and subsequent measurement

A derivative financial instrument, such as foreign exchange forward contracts, is used to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

D. Offsetting of financial instruments

Financial assets and financial liabilities, including derivative financial instruments, are offset, and the net amount is reported in the Balance sheet if there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

2. Significant accounting policies *(contd...)*

E. Equity share capital

Ordinary shares are classified as Equity.

An equity instrument is a contract that evidences a residual interest in the Company's assets after deducting all of its liabilities.

Incremental costs directly attributable to the issuance of new equity shares are shown as a deduction from the Equity net of any tax effects.

2.14 Impairment of assets

(a) Non-financial assets

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher an asset's fair value, less costs of disposal, and its value in use.

To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If, at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognised is reversed so that the asset is recognised at its recoverable amount but not exceeding the value which would have been reported in this respect if the impairment loss had not been recognised.

(b) Financial assets

The Company recognises loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortised cost.

The Company recognises lifetime expected credit losses for trade receivables. Loss allowance equal to the lifetime expected credit losses are recognised if the credit risk of the financial asset has significantly increased since initial recognition.

2.15 Taxes

Income tax expense comprises current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to items directly recognised in Equity or Other Comprehensive Income (OCI).

(a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws enacted or substantively enacted by the balance sheet date and applicable for the period.

In correlation to the underlying transaction relating to OCI and Equity, current tax items are recognised in OCI and Equity, respectively.

Management periodically evaluates positions taken in the tax returns to situations in which applicable tax regulations are subject to interpretation. Then, full provisions are made where appropriate based on the amount expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

(b) Deferred tax

Deferred tax assets and liabilities are recognised for the deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the balance sheet date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

2. Significant accounting policies *(contd...)*

Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits, and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits, and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax items in correlation to the underlying transaction relating to OCI and Equity are recognised in OCI and Equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid under the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability.

Accordingly, MAT is recognised as a deferred tax asset in the Balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

2.16 Earnings per Share

(a) Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of outstanding equity shares.

(b) Diluted earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares that could be issued on the conversion of all dilutive potential equity shares.

2.17 Segment reporting

Operating segments are identified and reported considering the different risks and return organizational structure and internal reporting systems to the Chief Operating Decision-Maker.

2.18 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks, and short-term highly liquid investments with an original maturity of three months or less and carry an insignificant risk of changes in value.

2.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing flows. Accordingly, the Company's cash flows from operating, investing, and financing activities are segregated.

2.20 Exceptional items

Exceptional items include income or expenses that are part of ordinary activities. However, they are of such significance and nature that separate disclosure enables the user of financial statements to understand the impact more clearly. These items are identified by their size or nature to facilitate comparison with prior periods and assess underlying trends in the Company's financial performance.

3. Use of critical estimates, judgements and assumptions

The preparation of the standalone financial statements in conformity with the measurement principle under Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent assets and liabilities.

3. Use of critical estimates, judgements and assumptions *(contd...)*

The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The application of accounting policies that require critical judgements and accounting estimates involving complex and subjective judgements and the use of assumptions in these standalone financial statements have been disclosed here in below:

(i) Estimated useful life of property, plant and equipment

Property, plant and equipment 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 at-least annually during each financial year end. The lives are based on technical evaluation, technological obsolesces and historical experience with similar assets as well as anticipation of future events, which may impact their lives. This re-assessment may result in a change in depreciation and amortization expense in future periods.

(ii) Current taxes and deferred taxes

Significant judgement is required in the determination of the taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes and option to be exercised for application of reduced rates of taxation on possible cessation of tax deduction and exhaustion of MAT credit entitlement in future years based on estimates of future taxable profits.

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that taxable profit would probably be available against which the losses and tax credit could be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination.

(iii) Retirement benefit obligations

The Company's retirement benefit obligations cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, inflation, future salary increments and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at-least annually during each financial year end.

(iv) Fair value measurements of financial instruments

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets are determined using valuation techniques including the Discounted Cash Flow (DCF) model. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions at regular intervals.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Provisions, contingent liabilities and contingent assets

The timing of recognition and quantification of the provisions, contingent liabilities and contingent assets require the application of judgement to existing facts and circumstances which are subject to change on the actual occurrence or happening. Judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company and possible inflow of resources in respect of the claims made by the Company which has been considered to be contingent in nature. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 4 - Property, plant and equipment and Capital work-in-progress

(₹ in Lakhs)

Particulars	Property, plant and equipment												Capital work-in-progress @
	Land (Free hold)	Land (Right of use)	Buildings	Roads	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Electrical installation and equipment	Pipelines	Total	
Gross block													
Gross carrying amount as at the beginning of 1st April, 2021	**6604.67**	**584.67**	**44730.05**	**2636.73**	**133079.42**	**1213.72**	**1826.24**	**266.55**	**1038.76**	**15625.62**	**11774.16**	**219380.59**	**1447.90**
Additions during the year	1034.27	-	2159.52	168.03	8311.16	305.63	459.80	132.61	239.43	2566.28	972.10	16348.83	33092.62
Disposals/deductions during the year	7.03	-	81.07	0.04	2217.74	20.33	239.09	14.16	26.42	105.37	26.95	2738.20	14110.47
Gross carrying amount as at the end of 31st March, 2022	**7631.91**	**584.67**	**46808.50**	**2804.72**	**139172.84**	**1499.02**	**2046.95**	**385.00**	**1251.77**	**18086.53**	**12719.31**	**232991.22**	**20430.05**
Depreciation													
Accumulated depreciation as at the beginning of 1st April, 2021	-	60.32	7971.02	1487.45	35126.73	542.42	882.56	146.63	679.95	8006.81	4701.30	59605.19	-
Depreciation for the year	-	29.18	1600.32	229.05	7043.22	130.39	310.92	58.19	147.59	989.47	813.27	11351.60	-
Disposals/deductions during the year	-	-	52.96	-	859.86	12.25	195.15	12.59	22.75	65.26	12.12	1232.94	-
Accumulated depreciation as at the end of 31st March, 2022	**-**	**89.50**	**9518.38**	**1716.50**	**41310.09**	**660.56**	**998.33**	**192.23**	**804.79**	**8931.02**	**5502.45**	**69723.85**	**-**
Net carrying amount as at the end of 31st March, 2022	**7631.91**	**495.17**	**37290.12**	**1088.22**	**97862.75**	**838.46**	**1048.62**	**192.77**	**446.98**	**9155.51**	**7216.86**	**163267.37**	**20430.05**
Gross block													
Gross carrying amount as at the beginning of 1st April, 2020	6648.92	634.93	41860.94	2369.44	129095.12	984.83	1694.33	220.00	890.77	15185.66	11504.01	211088.95	1239.64
Additions during the year	5.80	182.13	2937.18	267.29	4171.93	243.11	286.16	58.08	176.24	445.64	295.40	9068.96	8232.34
Disposals/deductions during the year	50.05	232.39	68.07	-	187.63	14.22	154.25	11.53	28.25	5.68	25.25	777.32	8024.08
Gross carrying amount as at the end of 31st March, 2021	**6604.67**	**584.67**	**44730.05**	**2636.73**	**133079.42**	**1213.72**	**1826.24**	**266.55**	**1038.76**	**15625.62**	**11774.16**	**219380.59**	**1447.90**
Depreciation													
Accumulated depreciation as at the beginning of 1st April, 2020	-	35.95	6463.63	1312.70	28158.03	446.99	718.60	119.85	580.80	7162.81	3773.92	48773.28	-
Depreciation for the year	-	24.37	1559.53	174.75	7062.56	104.99	286.55	36.44	124.64	849.03	928.00	11150.86	-
Disposals/deductions during the year	-	-	52.14	-	93.86	9.56	122.59	9.66	25.49	5.03	0.62	318.95	-
Accumulated depreciation as at the end of 31st March, 2021	**-**	**60.32**	**7971.02**	**1487.45**	**35126.73**	**542.42**	**882.56**	**146.63**	**679.95**	**8006.81**	**4701.30**	**59605.19**	**-**
Net carrying amount as at the end of 31st March, 2021	**6604.67**	**524.35**	**36759.03**	**1149.28**	**97952.69**	**671.30**	**943.68**	**119.92**	**358.81**	**7618.81**	**7072.86**	**159775.40**	**1447.90**

@ Refer Note No. 4A

Footnotes:

a) Depreciation capitalised and transferred to capital work-in-progress ₹ 4.56 Lakhs (Previous year: ₹ 1.39 Lakhs) - Refer Note No. 4A.

b) The Company has availed loans from banks against security of the fixed assets (i.e. property, plant and equipment) as referred in Note No. 18.

c) Buildings include ₹ 1.66 Lakhs (Previous year: ₹ 1.66 Lakhs) being cost of 79833 (Previous year: 79833) equity shares of Fortuna Services Ltd.

d) For capital commitment with regards to property, plant and equipment Refer Note No. 36(1)(c).

Note No. : 4 A - Capital work-in-progress

(₹ in Lakhs)

Particulars		As at 31st March, 2022		As at 31st March, 2021	
Building, plant and equipment , electrical installations etc. in - progress					
Additions during the year			32453.52		8149.17
	(A)		**32453.52**		**8149.17**
Preoperative and trial run expenses					
Additions during the year :					
Cost of materials consumed			28.05		-
Employee benefits expense					
Salaries and wages		108.42		-	
Contribution to provident and other funds		9.53		-	
Staff welfare expense		1.56	119.51	-	-
Depreciation expense			4.56		1.39
Other expenses					
Consumption of stores					
Other than process chemicals		2.41		-	
Power and fuel		200.63		-	
Rent		19.49		-	
Insurance		0.86		-	
Rates and taxes (excluding taxes on income)		8.10		3.97	
Professional expenses		170.91		75.24	
Miscellaneous expenses		84.58	486.98	2.57	81.78
	(B)		**639.10**		**83.17**
Total additions during the year	C= (A+B)		**33092.62**		**8232.34**
Balance brought forward					
Building, plant and equipment , electrical installations etc. in - progress	**(D)**		1447.90		1239.64
	E = (C+D)		**34540.52**		**9471.98**
Capitalised during the year	**(F)**		14110.47		8024.08
Capital work-in-progress at the end of the year	G= (E-F)		**20430.05**		**1447.90**

Capital work-in-progress ageing schedule:

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (includes goods in transit)	20360.16	69.89	-	-	20430.05
Projects temporarily suspended	-	-	-	-	-
Total	**20360.16**	**69.89**	**-**	**-**	**20430.05**

Note No. : 4 A - Capital work-in-progress *(contd...)*

As at the end of 31st March, 2021 (₹ in Lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (includes goods in transit)	1447.90	-	-	-	1447.90
Projects temporarily suspended	-	-	-	-	-
Total	**1447.90**	**-**	**-**	**-**	**1447.90**

Note No. : 5 - Intangible assets

(₹ in Lakhs)

Particulars	Computer software
Gross block	
Gross carrying amount as at the beginning of 1st April, 2021	585.49
Additions during the year	53.76
Disposals/deductions during the year	0.86
Gross carrying amount as at the end of 31st March, 2022	**638.39**
Amortisation	
Accumulated amortisation as at the beginning of 1st April, 2021	502.54
Amortisation for the year	39.45
Disposals/deductions during the year	0.86
Accumulated amortisation as at the end of 31st March, 2022	**541.13**
Net carrying amount as at the end of 31st March, 2022	**97.26**
Gross block	
Gross carrying amount as at the beginning of 1st April, 2020	556.10
Additions during the year	32.18
Disposals/deductions during the year	2.79
Gross carrying amount as at the end of 31st March, 2021	**585.49**
Amortisation	
Accumulated amortisation as at the beginning of 1st April, 2020	467.17
Amortisation for the year	38.16
Disposals/deductions during the year	2.79
Accumulated amortisation as at the end of 31st March, 2021	**502.54**
Net carrying amount as at the end of 31st March, 2021	**82.95**

Notes forming part of the standalone financial statements
for the year ended 31st March, 2022

Note No. : 6 - Investments (Non-current)

(₹ in Lakhs)

Particulars	Face value	Number of Shares	As at 31st March, 2022	Number of Shares	As at 31st March, 2021
Investment in Equity instruments (Carried at cost)					
Fully paid up :					
Unquoted					
Investment in associates					
Auxilo Finserve Pvt. Ltd. [Refer Note No. 36(15)]	₹ 10	155000000	15750.00	155000000	15750.00
Visual Percept Solar Projects Pvt. Ltd. # [Refer Note No. 36(14)]	₹ 10	-	-	7852500	1963.13
			15750.00		**17713.13**
Aggregate amount of quoted investments			Not applicable		Not applicable
Aggregate market value of quoted investments			Not applicable		Not applicable
Aggregate amount of unquoted investments			15750.00		17713.13
Aggregate amount of impairment in value of investments			Nil		Nil

Sold during the year

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Company	
			As at 31st March, 2022	As at 31st March, 2021
Auxilo Finserve Pvt. Ltd.	Financing activities in education sector in India	Mumbai	44.36%	45.05%
Visual Percept Solar Projects Pvt. Ltd.	Generation and sale of power	Mumbai, Surendranagar (Gujrat)	-	45.00%

Note No. : 7 - Trade receivables *(carried at amortised cost)*

(i) Non-current *(Unsecured, considered good unless stated otherwise)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Trade receivables				
Credit impaired		-		97.63
Less : Allowance for impaired receivables		-		97.63
		-		**-**

(ii) Current *(Unsecured, considered good unless stated otherwise)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Trade receivables		13672.39		24546.35
		13672.39		**24546.35**

Note No. : 7 - Trade receivables *(contd...)*

Trade receivables ageing schedule

As at the end of 31st March, 2022 (₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 6 Months	6 months - 1 year	1-2 years	More than 3 years	
Undisputed trade receivables						
- Considered good	8948.69	4713.15	10.55	-	-	13672.39
Total	**8948.69**	**4713.15**	**10.55**	**-**	**-**	**13672.39**

As at the end of 31st March, 2021 (₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 6 Months	6 months - 1 year	1-2 years	More than 3 years	
Undisputed trade receivables						
- Considered good	16424.35	8121.90	0.10	-	-	24546.35
Disputed trade receivables						
- Credit impaired	-	-	-	-	97.63	97.63
	16424.35	8121.90	0.10	-	97.63	24643.98
Less : Allowance for impaired receivables	-	-	-	-	97.63	97.63
Total	**16424.35**	**8121.90**	**0.10**	**-**	**-**	**24546.35**

Other information

(i) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person nor due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Details relating to the Company's credit risk management have been given in Note No. 36(17)(b).

Note No. : 8 - Other financial assets *(carried at amortised cost)*

(i) Non-current *(Unsecured, considered good unless stated otherwise)* (₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Security deposits		92.11		100.12
Fixed deposits with banks				
(With more than 12 months maturity)				
With Excise authorities (Pledged)		106.20		106.19
Interest accrued but not due on				
Fixed deposits with banks		6.35		7.90
		204.66		**214.21**

Notes forming part of the standalone financial statements
for the year ended 31st March, 2022

Note No. : 8 - Other financial assets *(carried at amortised cost) (contd...)*

(ii) Current *(Unsecured, considered good unless stated otherwise)* (₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Advance to employees		183.93		183.84
Claims receivable*		86.87		9357.06
Interest accrued but not due on				
Fixed deposits with banks	2.52		1.60	
Other deposits	1.45	3.97	1.29	2.89
Others#		-		3.81
		274.77		**9547.60**
* Includes claim for subsidy [Refer Note No. 36(8)]				
# Due from an Associate Company		-		3.32

Note No. : 9 - Non-current tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Advance tax		57085.28		58073.70
Less : Provision for taxation		55942.94		57432.32
		1142.34		**641.38**

Note No. : 10 - Other non-current assets *(Unsecured, considered good unless stated otherwise)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Capital advances		8295.99		565.36
Advances other than capital advances				
Other advances				
Advances to suppliers and others				
Considered doubtful	9.31		9.31	
Less: Allowance for bad and doubtful advances	9.31	-	9.31	-
Others				
Prepaid expenses	240.12		74.49	
Duties and taxes paid under protest	607.09	847.21	238.39	312.88
		9143.20		**878.24**

Note No. : 11 - Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Raw materials	10290.63		9425.82	
Add : Goods-in-transit	73.45	10364.08	7.19	9433.01
Packing materials		324.23		322.40
Work-in-progress				
Sugar	2791.64		1770.53	
By-product	371.08	3162.72	284.82	2055.35
Finished goods				
Sugar	179471.85		201416.00	
Industrial alcohol	945.53		5015.23	
Banked power	246.11		163.23	
Others	46.16		61.19	
	180709.65		206655.65	
Add : Goods-in-transit	616.46	181326.11	449.19	207104.84
Stores and spares	7000.49		6344.32	
Add : Goods-in-transit	170.35		106.88	
	7170.84		6451.20	
Less: Provision for obsolescence /non-moving stores and spares [Refer Note No. 33]	10.58	7160.26	-	6451.20
Loose tools		0.16		0.16
By-products		17659.00		12452.04
Scrap		54.17		26.71
		220050.73		**237845.71**
Footnotes:				
(i) Carrying amount of inventories pledged as security for borrowings (Refer Note No. 18 for charge created/security terms against borrowings)		205422.25		231514.28
(ii) Amount of write-down of inventories recognised as expense		1144.79		-
(iii) Refer Note No. 2.4 for mode of valuation				

Note No. : 12 - Biological assets

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Reconciliation of changes in book value of biological assets:				
Opening balance		6.08		12.50
Additions during the year		40.81		28.72
Decrease due to harvested sugarcane transferred to inventory *		27.94		35.14
Closing balance		**18.95**		**6.08**

* Includes sugarcane captively consumed

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 13 - Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Balances with banks		2.69		10.07
Cash on hand		29.49		34.60
		32.18		**44.67**

Note No. : 14 - Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Earmarked balances				
Fixed deposits for molasses storage fund				
Original maturity period up to 12 months		104.68		51.02
Unpaid dividend accounts		176.39		153.94
Other bank balances *		9.16		30.10
Fixed deposits pledged with excise authorities				
Original maturity period up to 12 months		5.17		0.16
		295.40		**235.22**

* Balances in subsidy accounts and escrow accounts for cane payment

Note No. : 15 - Other current assets *(Unsecured, considered good unless stated otherwise)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Advances other than capital advances				
Other advances				
Advances to suppliers and others	1557.20		942.06	
Income tax refundable	85.82		-	
GST, VAT and other taxes / duties	633.65	2276.67	703.66	1645.72
Others				
Prepaid expenses	1005.40		1540.89	
Miscellaneous	25.41	1030.81	25.37	1566.26
		3307.48		**3211.98**

Note No. : 16 - Share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
(a) Authorised				
Equity shares of ₹ 1/- each	400000000	4000.00	400000000	4000.00
Preference shares of ₹ 100/- each	2500000	2500.00	2500000	2500.00
		6500.00		**6500.00**
(b) Issued, subscribed and fully paid up				
Equity shares of ₹ 1/- each	204040000	2040.40	210000000	2100.00
		2040.40		**2100.00**

Issue of 16910 (Previous year: 16910) equity shares on Right basis has been kept in abeyance in view of pending disputes.

Note No. : 16 - Share capital *(contd...)*

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	210000000	2100.00	220000000	2200.00
Less: Buy-back of shares [Refer Note No. 36(4)]	5960000	59.60	10000000	100.00
At the end of the year	**204040000**	**2040.40**	**210000000**	**2100.00**

(d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr. Vivek Saraogi	41158544	20.17	34339303	16.35
Ms. Sumedha Saraogi	22043079	10.80	22043079	10.50
Nippon Life India Trustee Ltd. A/c Nippon India (under various funds)	9541604	4.68	10607029	5.05

(f) Details of shares held by promoters:

As at 31st March, 2022

Sl. No.	Name of the promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Mr. Vivek Saraogi	34339303	6819241	41158544	20.17	3.82
2	Ms. Sumedha Saraogi	22043079	-	22043079	10.80	0.30
3	Ms. Stuti Dhanuka	4284531	-	4284531	2.10	0.06
4	Ms. Avantika Saraogi	3187007	-	3187007	1.57	0.06
5	Kamal Nayan Saraogi (HUF)	6819241	(6819241)	-	-	(3.25)
6	Vivek Saraogi (HUF)	147482	-	147482	0.07	-
7	Novel Suppliers Pvt. Ltd.	3551444	-	3551444	1.74	0.05
8	Udaipur Cotton Mills Co. Ltd.	5689433	-	5689433	2.79	0.08
9	Meenakshi Mercantiles Ltd.	6484233	-	6484233	3.18	0.09
	Total	**86545753**	**-**	**86545753**	**42.42**	**1.21**

Footnotes:

(i) During the year ended 31st March, 2022 the shares held by Kamal Nayan Saraogi (HUF) transferred to Mr. Vivek Saraogi owing to dissolution of Kamal Nayan Saraogi (HUF).

(ii) Apart from the aforesaid, the percentage of shareholding changed due to the extinguishment of the equity shares bought back pursuant to the buy-back approved at the meeting of the Board held on 9th August, 2021.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 16 - Share capital *(contd...)*

As at 31st March, 2021

Sl. No.	Name of the promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Mr. Vivek Saraogi	35869184	(1529881)	34339303	16.35	0.05
2	Ms. Sumedha Saraogi	23027099	(984020)	22043079	10.50	0.03
3	Ms. Stuti Dhanuka	4485675	(201144)	4284531	2.04	-
4	Ms. Avantika Saraogi	3339429	(152422)	3187007	1.51	-
5	Kamal Nayan Saraogi (HUF)	7121964	(302723)	6819241	3.25	0.01
6	Vivek Saraogi (HUF)	154029	(6547)	147482	0.07	-
7	Novel Suppliers Pvt. Ltd.	3709101	(157657)	3551444	1.69	-
8	Udaipur Cotton Mills Co. Ltd.	5942001	(252568)	5689433	2.71	0.01
9	Meenakshi Mercantiles Ltd.	6772084	(287851)	6484233	3.09	0.01
	Total	**90420566**	**(3874813)**	**86545753**	**41.21**	**0.11**

Footnote:

The change in the shareholding is owing to participation of the promoters in the buy-back of equity shares of the Company.

(g) The aggregate number of equity shares bought back in immediately preceding last five years ended 31st March, 2022 - 30998327 equity shares (previous period of five years ended 31st March, 2021 - 35038327 equity shares).

Note No. : 17 - Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
A. Reserves and surplus				
(a) Capital reserve				
Balance as per last account		1075.58		1075.58
(b) Securities premium				
Balance as per last account	-		9819.98	
Less : Utilised on buy - back of equity shares	-		9719.98	
Less: Transfer to capital redemption reserve on buy- back of equity shares	-	-	100.00	-
(c) Capital redemption reserve				
Balance as per last account	3004.48		2904.48	
Add: Transfer from securities premium	-		100.00	
Add: Transfer from retained earnings [Refer Note No. 36(4)]	59.60	3064.08	-	3004.48
(d) Storage fund for molasses				
Balance as per last account	36.09		87.19	
Add: Created during the year	53.20		55.73	
Less: Written back during the year	-	89.29	106.83	36.09
(e) General reserve				
Balance as per last account	150000.00		110000.00	
Add: Transfer from retained earnings	20000.00	170000.00	40000.00	150000.00

Note No. : 17 - Other equity *(contd...)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
(f) Retained earnings				
Balance as per last account	100168.45		110953.93	
Add: Profit for the year	51465.77		46977.22	
Add: Transfer from other comprehensive income	(361.79)		(55.71)	
Less: Transfer to capital redemption reserve	59.60		-	
Less: Transfer to general reserve	20000.00		40000.00	
Less : Utilised on buy-back of equity shares [Refer Note No. 36(4)]	21464.28		8180.02	
Less: Tax on buy-back of equity shares [Refer Note No. 36(4)]	4986.76		4193.28	
Less: Buy-back expenses [net of tax ₹ 61.26 Lakhs (Previous year: ₹ 44.95 Lakhs)] [Refer Note No. 36(4)]	114.04		83.69	
	104647.75		105418.45	
Less: Interim dividend paid during the year [Refer Note No. 36(18)(b)]	5101.00	99546.75	5250.00	100168.45
(A)		**273775.70**		**254284.60**
B. Other comprehensive income				
Balance as per last account	-		-	
Add: Other comprehensive income for the year	(361.79)		(55.71)	
Less: Transfer to retained earnings	(361.79)	-	(55.71)	-
(B)		-		-
C = (A + B)		**273775.70**		**254284.60**

Footnotes:

i) Capital reserve comprise of reserve arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant scheme sanctioned by the Court.

ii) Capital redemption reserve is created consequent to redemption of preference shares and buy-back of equity shares. This reserve shall be utilised in accordance with the provisions of the Act.

iii) Securities premium represented the amount received in excess of face value of shares on issue and was utilised in accordance with the provisions of the Act.

iv) The general reserve represents profits transferred out of retained earnings of the Company from time to time and it also include amount aggregating to ₹ 4224.23 Lakhs (Previous year: ₹ 4224.23 Lakhs) arisen consequent to business combinations entered by the Company in earlier years, in accordance with then applicable accounting standard and in terms of the relevant scheme sanctioned by the Court. It is not earmarked for any specific purpose.

v) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974. During the year ended 31st March, 2021, ₹ 106.83 Lakhs was utilised from the fund and credited to the Statement of Profit and Loss. The said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹ 104.68 Lakhs (Previous year: ₹ 51.02 Lakhs) [Refer Note No. 14].

vi) Retained earnings represents the undistributed profit / amount of accumulated earnings of the Company.

vii) Other Comprehensive Income (OCI) represents the balance in equity relating to re-measurement gain/(loss) of defined benefit obligation.

Note No. : 18 - Borrowings (carried at amortised cost)

(i) Non-current

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Term loans				
From banks				
Secured				
Rupee loans:				
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh) [Refer Footnote (a)(i) below]		8409.37		14960.84
ICICI Bank Ltd. (ICICI) [Refer Footnote (a)(ii) below]		2500.00		3750.00
HDFC Bank Ltd. (HDFC) [Refer Footnote (a)(iii) below]		3510.50		5516.50
		14419.87		**24227.34**

a) **Nature of securities for the aforesaid borrowings including current maturities of long term debt [Refer Note No. 18(ii)] and deferred income [Refer Note No. 21]:**

i) Rupee Term Loan from ICICI (Acting as an agent on behalf of Government of Uttar Pradesh) amounting to ₹ 16428.65 Lakhs (Previous year: ₹ 23730.27 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Undertakings, 2018, of Uttar Pradesh Government is secured by pari passu first charge, by way of hypothecation of movable fixed assets (PPE), both present and future, pertaining to seven cogeneration units of the Company viz. Balrampur, Babhnan, Haidergarh, Akbarpur, Mankapur, Kumbhi and Gularia.

ii) Rupee Term Loan from ICICI amounting to ₹ 3750.00 Lakhs (Previous year: ₹ 5000.00 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Gularia distillery unit of the Company.

iii) Rupee Term Loan from HDFC amounting to ₹ 5516.50 Lakhs (Previous year: ₹ 7522.50 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Gularia distillery unit of the Company.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 18 (i) - Borrowings (carried at amortised cost) *(contd...)*

b) Terms of Repayment:

	Lender of loan	Rate of interest (ROI) (%)	Amount outstanding as at 31st March, 2022		Amount outstanding as at 31st March, 2021		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2022	Number of installments outstanding as at 31st March, 2022	Amount of each installment (₹ in Lakhs)	Details of security offered
			Current (₹ in Lakhs)	Non-current (₹ in Lakhs)	Current (₹ in Lakhs)	Non-current (₹ in Lakhs)				
1	**ICICI Bank Ltd.** (Acting as an agent on behalf of Government of Uttar Pradesh)	* 5.00% p.a. (Fixed)	7301.62	8409.37 ^	7301.62	14960.84	2 years 3 months and 3 days	27 (payable monthly)	608.47	Refer Note No. 18 (i) (a) (i) above
		Sub - Total	**7301.62**	**8409.37**	**7301.62**	**14960.84**				
2	**ICICI Bank Ltd.**	ICICI one year MCLR (Previous year: ICICI one year MCLR)	1250.00	2500.00	1250.00	3750.00	2 years 8 months and 30 days	3 (payable annually)	1250.00	Refer Note No. 18 (i) (a)(ii) above
		Sub - Total	**1250.00**	**2500.00**	**1250.00**	**3750.00**				
3	**HDFC Bank Ltd.**	HDFC one year MCLR (Previous year: HDFC one year MCLR)	2006.00	3510.50	2006.00	5516.50	2 years 8 months and 30 days	11 (payable quarterly)	501.50	Refer Note No. 18 (i) (a) (iii) above
		Sub - Total	**2006.00**	**3510.50**	**2006.00**	**5516.50**				
		Grand Total	**10557.62**	**14419.87**	**10557.62**	**24227.34**				

* Rate of interest has been fixed by the Government of Uttar Pradesh @5.00% for entire tenure of the loan under the Scheme for Extending Financial Assistance to Sugar Undertaking - 2018, of Uttar Pradesh Government

^ Excluding ₹ 717.66 Lakhs (Previous year: ₹ 1467.81 Lakhs) on account of effective interest rate adjustment being taken to Deferred income.

Note No. : 18 - Borrowings (carried at amortised cost) *(contd...)*

(ii) Current (₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Loans repayable on demand				
Working capital loans				
From banks				
Secured				
Rupee loans				
State Bank of India (SBI)	60903.91		48875.02	
HDFC Bank Ltd. (HDFC)	35081.50		31262.68	
Kotak Mahindra Bank Ltd. (KOTAK)	-	95985.41	8998.57	89136.27
Current maturities of long - term debt *				
Term loans				
From banks				
Secured				
Rupee loans:				
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh)	7301.62		7301.62	
ICICI Bank Ltd. (ICICI)	1250.00		1250.00	
HDFC Bank Ltd. (HDFC)	2006.00	10557.62	2006.00	10557.62
		106543.03		**99693.89**

* Refer Note No. 18(i) (a) and (b) for nature of securities and terms of repayment respectively.

Nature of securities :

a) Working capital loans from banks (viz: SBI, HDFC, KOTAK and ICICI) are secured by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with each of them.

b) Working capital loan from SBI was additionally secured by way of exclusive hypothecation of entire current assets of all the cogeneration units of the Company. The said charge has been released as per sanction letter issued during the year.

Note No. : 19 - Lease liabilities *(Unsecured)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Opening balance		116.81		240.38
Addition to lease liabilities during the year		-		140.80
Finance cost accrued during the year		8.17		9.28
Derecognised during the year		-		240.38
Payment of lease liabilities during the year		16.63		33.27
Closing balance		**108.35**		**116.81**
Current		16.63		16.63
Non-current		91.72		100.18

Footnote:

Further, to above, the Company has certain lease arrangement on short term basis or low value items, expenditure on which has been recognised under line item "Rent" under Other expenses.

Note No. : 20 - Other financial liabilities *(carried at amortised cost)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Interest accrued but not due on borrowings		377.90		326.06
Unpaid dividend @		176.39		153.94
Other payables				
Retention monies	1884.09		1140.94	
Security deposits	776.97		264.55	
Accrued expenses	196.17		179.91	
Accrued salaries and other payroll dues	4016.71		3352.19	
Others	113.98	6987.92	99.90	5037.49
		7542.21		**5517.49**

@ There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at balance sheet date.

Note No. : 21 - Deferred income

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Opening balance		1467.81		2450.40
Less: Transferred to the Statement of Profit and Loss		750.15		982.59
Closing balance		**717.66**		**1467.81**
Current		495.14		750.15
Non - current		222.52		717.66

[Refer Note No. 36(8) for other disclosures]

Note No. : 22 - Provisions

(i) Non-current

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Provision for employee benefits - unavailed leave [Refer Note No. 36(9)]		957.44		820.85
		957.44		**820.85**

(ii) Current

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Provision for employee benefits [Refer Note No. 36(9)]				
Unavailed leave	554.64		493.59	
Gratuity	118.83	673.47	41.67	535.26
Other provisions				
Provision for contingencies [Refer Note No. 36(2)]		0.42		0.42
		673.89		**535.68**

Note No. : 23 - Deferred tax liabilities (net)

As at 31st March, 2022 (₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment and Intangible assets	22825.67	(853.93)	-	-	21971.74
Investments	-	-	-	-	-
	22825.67	**(853.93)**	**-**	**-**	**21971.74**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses/unabsorbed depreciation	68.07	(68.07)	-	-	-
Expenses allowable on payment basis	221.85	754.17	-	-	976.02
MAT credit entitlement	17807.52	(4169.76)	61.26	97.17	13796.19
	18097.44	**(3483.66)**	**61.26**	**97.17**	**14772.21**
Net deferred tax liabilities / expense	**4728.23**	**2629.73**	**(61.26)**	**(97.17)**	**7199.53**

As at 31st March, 2021 (₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment and Intangible assets	21810.90	1014.77	-	-	22825.67
Investments	38.08	(38.08)	-	-	-
	21848.98	**976.69**	**-**	**-**	**22825.67**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses/unabsorbed depreciation	39.40	28.67	-	-	68.07
Expenses allowable on payment basis	173.14	48.71	-	-	221.85
MAT credit entitlement	19222.09	(1474.48)	44.95	14.96	17807.52
	19434.63	**(1397.10)**	**44.95**	**14.96**	**18097.44**
Net deferred tax liabilities / expense	**2414.35**	**2373.79**	**(44.95)**	**(14.96)**	**4728.23**

The ultimate realisation of deferred tax assets, carried forward tax losses/unabsorbed depreciation and unused tax credits is dependent upon the generation of future taxable income. Deferred tax assets including MAT credit entitlement is recognised on management's assessment of reasonable certainty for reversal/utilisation thereof against future taxable income.

Based on the assessment of the possible impact of the new tax regime, the Company has decided to continue with existing normal tax structure till certain deductions are available and accumulated Minimum Alternate Tax (MAT) credit is substantially exhausted and thereafter, to opt for the concessional rate under new tax regime.

Note No. : 24 - Trade and other payables

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Trade payables				
Total outstanding dues of micro enterprises and small enterprises		205.18		128.75
Total outstanding dues of creditors other than micro enterprises and small enterprises		27579.37		59174.93
		27784.55		**59303.68**
Other payables				
Payable to suppliers of capital goods				
Total outstanding dues of micro enterprises and small enterprises		406.92		26.46
Total outstanding dues of creditors other than micro enterprises and small enterprises		2637.03		314.48
		3043.95		**340.94**
		30828.50		**59644.62**

Trade payables ageing schedule

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	75.99	129.19	-	-	-	205.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	784.33	26634.67	75.93	50.71	33.73	27579.37
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**860.32**	**26763.86**	**75.93**	**50.71**	**33.73**	**27784.55**

Note No. : 24 - Trade and other payables *(contd...)*

31st March, 2021 (₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	76.92	51.83	-	-	-	128.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	982.81	57972.84	94.58	55.41	69.29	59174.93
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**1059.73**	**58024.67**	**94.58**	**55.41**	**69.29**	**59303.68**

Other information

Details related to information required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been given in Note No. 36(5).

Note No. : 25 - Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Other advances				
Advances from customers		433.48		295.06
Others				
Statutory liabilities	1687.17		1909.32	
Others *	759.55	2446.72	849.12	2758.44
		2880.20		**3053.50**

* Includes interest accrued relating to micro enterprises and small enterprises [Refer Note No. 36(5)]

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 26 - Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Sale of goods				
Domestic sales				
Sugar	356255.26		362522.05	
Industrial alcohol	97462.00		81999.38	
Power	11540.78		13523.73	
Bagasse	7828.93		5585.46	
Others	4239.51	477326.48	3620.38	467251.00
Other operating revenue				
Government grants [Refer Note No. 36(8)]				
Insurance and storage charges on buffer stock	-		216.25	
Export incentive and assistance	7276.20	7276.20	13698.45	13914.70
		484602.68		**481165.70**

Footnotes:

(i) Details relating to performance obligation in terms of Ind AS 115 - Revenue from contracts with customers has been given in Note No. 36(11).

(ii) Disaggregated revenue information have been given along with segment information in Note No. 36(12)(d).

Note No. : 27 - Other income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Interest income on financial assets carried at amortised cost				
Non-current investments				
Debentures	-		19.46	
Deposit with banks and others	38.42	38.42	14.73	34.19
Gain on sale of highly liquid investments (treated as cash equivalent)		758.94		630.42
Gain on buy-back of equity shares of an associate		-		754.02
Dividend received from an associate		1491.98		-
Other non-operating income				
Insurance claims	509.04		419.80	
Liabilities no longer required written back	274.62		321.22	
Profit on sale/discard of property, plant and equipment (net)	-		83.57	
Recovery towards written off balances	0.02		0.07	
Provision for doubtful advances written back	-		1.02	
Allowance for impaired receivables written back	97.63		-	
Less: Bad debts written off	35.27		-	
	62.36		-	
Storage fund for molasses written back [Refer Note No. 17 (v)]	-		106.83	
Miscellaneous	1655.73	2501.77	993.67	1926.18
		4791.11		**3344.81**

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 28 - Cost of materials consumed

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Sugarcane		325296.62		351537.66
Others *		876.40		(351.52)
		326173.02		**351186.14**

* Includes differential impact of opening and closing inventories of raw materials

Note No. : 29 - Changes in inventories of finished goods, by-products and work-in-progress

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Finished goods				
Opening stock				
Sugar	201416.00		198648.63	
Industrial alcohol	5464.42		3716.67	
Banked power	163.23		168.78	
Others	61.18	207104.83	73.00	202607.08
Less : Closing stock				
Sugar	179478.98		201416.00	
Industrial alcohol	1554.86		5464.42	
Banked power	246.11		163.23	
Others	46.16	181326.11	61.18	207104.83
Less: Power used during the trial run of capital projects		6.07		-
Decrease/(Increase) (A)		**25772.65**		**(4497.75)**
By-products				
Opening stock		12452.04		9759.90
Less : Closing stock		17659.00		12452.04
Less: Bagasse used during the trial run of capital projects		16.72		-
(Increase) (B)		**(5223.68)**		**(2692.14)**
Work- in-progress				
Opening stock				
Sugar	1770.53		3319.55	
By-product	284.82	2055.35	342.54	3662.09
Less : Closing stock				
Sugar	2791.64		1770.53	
By-product	371.08	3162.72	284.82	2055.35
(Increase)/Decrease (C)		**(1107.37)**		**1606.74**
Decrease/(Increase) D = (A + B + C)		**19441.60**		**(5583.15)**

Note No. : 30 - Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Salaries and wages		27288.32		25065.66
Contribution to provident, gratuity and other funds		3130.00		2850.53
Staff welfare expense		367.72		260.14
		30786.04		28176.33
Less: Recovery towards deputation of an employee [Refer Note No. 36(10)]		5.60		11.34
		30780.44		**28164.99**

Note No. : 31 - Finance costs

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Interest				
On long term borrowings [Refer Note No. 36(8)]	1407.58		1906.20	
On short term borrowings [Refer Note No. 36(8)]	1595.84		1949.39	
Others *	13.46	3016.88	34.46	3890.05
Other borrowing costs		70.01		39.54
		3086.89		**3929.59**
* Includes interest on lease liabilities		8.17		9.28
* Includes interest on statutory dues		0.08		0.81
* Includes interest on shortfall in payment of advance income-tax		-		17.17

Note No. : 32 - Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Depreciation of property, plant and equipment * [Refer Note No. 4]		11347.04		11149.48
Amortisation of intangible assets [Refer Note No. 5]		39.45		38.16
		11386.49		**11187.64**

* includes depreciation of right-of-use assets

Notes forming part of the standalone financial statements
for the year ended 31st March, 2022

Note No. : 33 - Other expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Consumption of stores				
Process chemicals	4196.54		3656.00	
Others	269.35	4465.89	263.78	3919.78
Packing materials		3875.19		3886.64
Power and fuel		268.89		235.98
Rent		114.15		70.09
Repairs				
Buildings	792.22		711.39	
Machinery	6849.33		6994.33	
Others	230.32	7871.87	218.75	7924.47
Insurance		1227.11		1080.43
Rates and taxes (excluding taxes on income)		641.12		569.16
Commission to non-executive directors		110.00		96.80
Directors' fees		31.20		25.40
Payments to auditors				
For statutory audit	52.50		52.50	
For other services (Limited reviews and certifications)	20.25		21.00	
For reimbursement of expenses	0.30	73.05	1.90	75.40
Cost audit fees		4.00		4.00
Professional expenses #		4151.41		5423.86
Freight and handling expenses		6818.03		5646.68
Brokerage and commission		526.63		568.12
Charity and donation		10.81		55.51
Corporate social responsibility expense [Refer Note No. 36(6)]		1119.67		1067.55
Miscellaneous expenses *		6099.98		5234.89
Loss on sale/discard of property, plant and equipment (net)		744.75		-
Sundry debit balances/advances written off		14.70		36.33
Payment towards balances earlier written back		4.53		0.91
Transfer to storage fund for molasses		53.20		55.73
Obsolete stores and spares written off	1.05		137.59	
Less: Provision for obsolescence /non- moving stores and spares written back	-	1.05	100.92	36.67
Provision for obsolescence /non-moving stores and spares		10.58		-
		38237.81		**36014.40**
# Includes expenses incurred towards export under MAEQ		3562.41		4930.55
* Includes contribution in electoral bonds		200.00		-

Note No. : 34 - Tax expense

(₹ in Lakhs)

Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax		11448.97	10259.89
Tax provision for earlier years		16.82	-
Deferred tax [Refer Note No. 23]		2629.73	2373.79
		14095.52	**12633.68**
Reconciliation of Tax Expense			
Profit before tax		65561.29	59610.90
Applicable tax rate (using the Company's tax rate)		34.944%	34.944%
Computed tax expense	**(A)**	**22909.74**	**20830.43**
Adjustments for:			
Income exempt for tax purpose		-	(263.48)
Expenses not allowed for tax purpose		195.78	176.12
Effect of tax deductions		(6461.84)	(6988.80)
Changes in recognised deductible temporary differences		(1362.45)	60.56
Effect of transition adjustment under MAT		-	(24.53)
Additional allowance for tax deductions		(142.08)	-
Effect of lower tax rate on capital gains		(553.66)	-
MAT credit entitlement		(506.79)	(1156.62)
Tax provision for earlier years		16.82	-
Net adjustments	**(B)**	**(8814.22)**	**(8196.75)**
Tax Expense	**C=(A+B)**	**14095.52**	**12633.68**

Note No. : 35 - Other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Items that will not be reclassified to profit or loss		
Re-measurement of defined benefit plan	(556.12)	(85.63)
Less: Income tax relating to items that will not be reclassified to profit or loss	194.33	29.92
	(361.79)	**(55.71)**

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities :

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
(i)	Claims against the Company not acknowledged as debts :		
	- Sales tax and entry tax (including interest and other claims) - under appeal/ litigation	92.69	92.69
	- Others - under appeal/litigation	151.48	151.48
		244.17	**244.17**
(ii)	Claims for acquisition of 1.99 acres of land for the distillery unit at Balrampur and compensation there against is under dispute as the matter is subjudice	Amount not ascertainable	Amount not ascertainable

Footnotes:

- The amounts shown in (i) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

  In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals/litigations.

- Also refer Note No. 36(3) (b) for availment of remission of taxes and levies pending final decision at the Hon'ble Supreme Court on the matter.

(b) Uttar Pradesh Excise Authorities have imposed payment of ₹ 20/- per quintal on molasses transferred, sold or supplied for captive consumption with effect from 24th December 2021 as "Regulatory Fee" under amended Section 8(4) of Uttar Pradesh Sheera Niyantran Adhiniyam, 1964.

The Uttar Pradesh Sugar Mills Association and Others have filed a writ petition against the aforesaid levy before Lucknow Bench of Hon'ble Allahabad High Court. The said Court vide its Interim Order dated 25th February 2022, have deferred the realisation thereof pending final decision on the matter.

Upto 31st March 2022, the Company has deposited ₹ 449.44 Lakhs (Previous year: ₹ Nil) "under protest" till the matter is finally decided by the Hon'ble High Court, which has been clubbed and shown with "Duties and taxes paid under protest" under Note No. 10 Other non-current assets.

(c) Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	50019.88	1901.37
(ii)	Advance paid against above	8295.99	565.36

2. Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent liabilities and Contingent assets :

(a) Provision for contingencies

(i) Provisions for contingencies represent provision towards various claims made/anticipated in respect of litigation claims against the Company based on the Management's assessment.

Note No. : 36 - Other disclosures *(contd...)*

(ii) **Movement in Provision for contingencies:** (₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
As per last account	0.42	0.42
	0.42	**0.42**
- Current	0.42	0.42
- Non-current	-	-

It is not possible to estimate the timing/uncertainties relating to utilisation /reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals. The Company does not expect any reimbursement in respect of above provisions.

(b) Contingent assets

During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances. Also Refer Note No. 36(3) in this respect.

3. a) The Hon'ble High Court at Allahabad, Lucknow Bench, vide its order dated 12th February, 2019 ("Order") had quashed the G.O. dated 4th June, 2007, vide which the Sugar Industry Promotion Policy 2004 ("SIPP") was withdrawn, and held that the petitioner companies were entitled to all the benefits for the entire period of the validity of SIPP. Consequent to this, the Company in respect of its capital projects and expansions during the period from 2004 to 2008 is entitled to the capital subsidy, reimbursement of certain expenses, remission of certain taxes and levies under the provision of the said policy.

The State Government of Uttar Pradesh and others have filed Special Leave Petitions challenging the said Order before the Hon'ble Supreme Court of India and the cases are pending for hearing as on 31st March, 2022. Pending this, the Company's claim for reimbursement of ₹ 33654.94 Lakhs (Previous year: ₹ 33654.94 Lakhs) and capital subsidy of ₹ 13137.77 Lakhs (Previous year: ₹ 13137.77 Lakhs) pursuant to SIPP being contingent in nature, has not been recognised.

(b) In terms of SIPP, the Company availed remission of taxes and levies, namely, Entry Tax on Sugar, Trade Tax on Molasses and Cane Purchase Tax, Stamp duty and registration charges on purchase of land aggregating to ₹ 11278.45 Lakhs in earlier years. These remissions were availed pursuant to protection earlier provided by the Hon'ble High Court at Allahabad, which has been confirmed pursuant to the Order of the said court as given in Note No. 36(3)(a) above.

In the assessment of Entry Tax on Sugar and Trade Tax on Molasses relating to four sugar units, namely, Akbarpur, Mankapur, Kumbhi and Gularia aggregating to ₹ 6300.63 Lakhs has been assessed, though these units are also eligible for the remission under the SIPP. However, no demand has been raised and pursued against the Company in view of the protection by the Hon'ble High Court as aforesaid. Since these units are eligible for incentive under SIPP and no demand has yet been raised against the Company, the aforesaid amount of ₹ 6300.63 Lakhs has not been considered as contingent liability.

(c) Uttar Pradesh Electricity Regulatory Commission vide notification dated 25th July, 2019 reduced the power purchase rates of bagasse-based power plants w.e.f. 1st April, 2019 and revenue in this respect has accordingly been recognised at such reduced rates. The Uttar Pradesh Cogen Association has filed a writ petition, challenging the reduction in power rates before Hon'ble High Court at Allahabad which has been admitted. Hearing for the same is scheduled for 26th May 2022.

4. The Board of Directors at its meeting held on 9th August 2021 had approved the buy-back of equity shares, amounting to ₹ 21525.00 Lakhs (Maximum Buy-back Size, excluding transaction costs and taxes thereon) at a price not exceeding ₹ 410/- per equity share (Maximum Buy-back Price).

At the Maximum Buy-back Price and the Maximum Buy-back Size, the indicative maximum number of equity shares to be bought back was 5250000 equity shares (Maximum Buy-back Shares), representing approximately 2.50% of the paid-up share capital of the Company. The buy-back was offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter Group and Persons in Control of the Company) under the open market route through the stock exchanges. The buy-back of equity

Note No. : 36 - Other disclosures *(contd...)*

shares commenced on 17th August 2021 and was completed on 21st October 2021; formalities for extinguishment of the equity shares so bought back were completed on 26th October 2021.

The Company purchased and extinguished a total of 5960000 equity shares at a volume weighted average price of ₹ 361.14 per equity share aggregating to ₹ 21523.88 Lakhs (excluding transaction costs and tax on buy-back) comprising of approximately 2.84% of the pre buy-back paid up equity share capital of the Company.

Consequent to the said buy-back, the equity share capital has been reduced by ₹ 59.60 Lakhs and an amount equivalent to the face value of equity shares bought back has been transferred from Retained earnings to Capital redemption reserve and differential amount of ₹ 21464.28 Lakhs with respect to aggregate consideration in excess of face value of the equity shares bought back has also been adjusted from Retained earnings. Further, various costs aggregating to ₹ 114.04 Lakhs (net of tax of ₹ 61.26 Lakhs) incurred for the same and the taxation on buy-back amounting to ₹ 4986.76 Lakhs have also been adjusted from Retained earnings.

5. Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

As at 31st March, 2022: (₹ in Lakhs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	205.18	406.92	612.10
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	2.01	-	2.01
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	0.85	0.11	0.96
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year #	0.85	0.11	0.96
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24.

Included in the line item "Others" under Note No. 25.

Note No. : 36 - Other disclosures *(contd...)*

As at 31st March, 2021:

(₹ in Lakhs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	128.75	26.46	155.21
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	0.48	-	0.48
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	4.97	0.03	5.00
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.53	-	1.53
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year #	2.01	-	2.01
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24.

Included in the line item "Others" under Note No. 25.

6. Expenditure on Corporate Social Responsibility (CSR) activities :

(a) Details of CSR expenditure:

(₹ in Lakhs)

Sl. No.	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(i)	Gross amount required to be spent by the Company during the year	1135.76	965.94
(ii)	Amount spent during the year * :		
	a) Construction/acquisition of any asset		
	- in cash	43.97	36.89
	- yet to be paid in cash	-	-
	b) On purposes other than (a) above		
	- in cash	1075.70	1030.66
	- yet to be paid in cash	-	-
(iii)	Previous year excess spent adjusted with current year requirement to be spent	16.09	-
(iv)	Unspent amount during the year	-	-
(v)	Reason for shortfall	Not applicable	Not applicable

* The Company spent ₹ 1119.67 Lakhs (Previous year: ₹ 1067.55 Lakhs) towards its CSR obligations.

(b) Nature of CSR activities

The CSR activities of the Company are focused on sustainable livelihood, education including skill development for women empowerment; healthcare, sanitation and safe drinking water; rural development; environment sustainability and disaster management.

Note No. : 36 - Other disclosures *(contd...)*

6. Expenditure on Corporate Social Responsibility (CSR) activities : *(contd...)*

(c) Details of excess amount spent

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening balance	**101.61**	**-**
Amount required to be spent during the year	1135.76	965.94
Amount spent during the year	1119.67	1067.55
Closing balance	**85.52**	**101.61**
- To be carried forward for next year	85.52	101.61
- Not to be carried forward for next year	-	-

7. Earnings per share - The numerators and denominators used to calculate Basic and Diluted earnings per share

Sl. No.	Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
(i)	Amount used as the numerator			
	Profit after tax (₹ in Lakhs)	(A)	51465.77	46977.22
(ii)	Weighted average number of equity shares outstanding used as the denominator for computing Basic and Diluted earnings per share *	(B)	207022892	213452055
(iii)	Face value of equity shares (₹)		1.00	1.00
(iv)	Basic and Diluted earnings per share (₹)	(A/B)	24.86	22.01

* The Company does not have any dilutive potential equity shares.

8. The Company is eligible to receive various financial assistance from government authorities. Accordingly, the Company has recognised these government grants in the following manner:

(₹ in Lakhs)

Sl. No.	Particulars	Treatment in accounts	Year ended 31st March, 2022	Year ended 31st March, 2021
	Grants related to Income			
(a)	**Revenue related Government Grants:**			
(i)	Towards marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar (Refer footnote (i) and (ii) below)	Included under "Export incentive and assistance" under Revenue from operations	7276.20	13677.20
(ii)	Financial support for maintaining buffer stock of sugar inventory (Refer footnote (iii) below)	(i) Stated as "Insurance and storage charges on buffer stock" under Revenue from operations	-	216.25
		(ii) Deducted from interest expense on short term borrowings	-	1262.17
(iii)	Interest on term loans (Refer footnote (iv) below)	Deducted from interest expense on long term borrowings	416.37	540.27
(iv)	Duty drawback against export of sugar	Included under "Export incentive and assistance" under Revenue from operations	-	21.25

Note No. : 36 - Other disclosures *(contd...)*

(₹ in Lakhs)

Sl. No.	Particulars	Treatment in accounts	Year ended 31st March, 2022	Year ended 31st March, 2021
(v)	Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme (Refer footnote (v) below)	Deducted from "Contribution to provident, gratuity and other funds" under Employee benefits expense	0.32	5.39
			7692.89	**15722.53**
(b)	**Amortisation of Government Grants:**			
	Government grant relating to interest on term loans (Refer footnote (vi) below)	Deducted from interest expense on long term borrowings	750.15	982.59
			750.15	**982.59**
			8443.04	**16705.12**

Footnotes:

(i) The Company had physically moved for export through merchant exporter 53763 MT of raw/ white sugar during the year ended 31st March, 2021 against allocated Maximum Admissible Export Quantity (MAEQ) to it for the sugar season 2019-20 and the financial assistance @ ₹ 10448.00 per MT amounting to ₹ 5617.16 Lakhs has been clubbed with "Export incentive and assistance" under Revenue from operations.

(ii) The total export entitlement utilised and physical export done through merchant exporter by the Company during the year ended 31st March, 2022 aggregated to 121270 MT (Previous year: 134334 MT) against the quota allocated for the sugar season 2020-21. The financial assistance earned against such exports @ ₹ 6000.00 per MT amounting to ₹ 7276.20 Lakhs (Previous year: ₹ 8060.04 Lakhs) has been clubbed with "Export incentive and assistance" under Revenue from operations.

(iii) During the year ended 31st March 2021, the Company had adjusted ₹ 1262.17 Lakhs against "Interest on short term borrowings" under Finance costs and storage charges of ₹ 216.25 Lakhs was shown under line item "Insurance and storage charges on buffer stock" under Revenue from operations, for creation and maintenance of buffer stock as required by the Central Government.

(iv) Notification No. S.O. 3523 (E) dated 19th July, 2018 was issued by the Central Government for 'extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity' with a view to increase production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programme, and thereby to improve the liquidity position of the sugar mills enabling them to clear cane price arrears of the farmers for which interest subvention @ 6.00% or 50.00% of rate of interest charged by banks (whichever is lower) would be borne by the Central Government for a tenure of 5 years from the date of disbursement of the loan.

Under the said scheme, HDFC Bank and ICICI Bank disbursed rupee loan aggregating to ₹ 8024.00 Lakhs and ₹ 5000.00 Lakhs respectively, during the year ended 31st March, 2020 which was utilised for setting up of 160 KLPD distillery at Gularia unit.

Accordingly, ₹ 416.37 Lakhs and ₹ 540.27 Lakhs has been adjusted with interest on long term borrowings, for the year ended 31st March, 2022 and 31st March, 2021, respectively.

(v) The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme has been designed to incentivise employers for generation of new employment, where Government of India pays the 8.33% Employee Pension Scheme contribution of the employer for the new employment. Accordingly ₹ 0.32 Lakhs and ₹ 5.39 Lakhs have been deducted from "Contribution to provident, gratuity and other funds" under Employee benefits expense, for the year ended 31st March, 2022 and 31st March, 2021 respectively.

(vi) The Government of Uttar Pradesh vide its Order No. - 12/2018/1698 / 46-3-18-3 (36-A) / 2018 dated 28th September, 2018 notified a scheme for assistance to sugar mills under the Scheme for Extending Financial Assistance to Sugar Undertakings -

Note No. : 36 - Other disclosures *(contd...)*

2018 of Uttar Pradesh Government, for the purpose of clearance of sugarcane price for sugar season 2016-17 and 2017-18 as per the State Advised Price of sugarcane fixed by the State Government.

Under the said scheme, during the year ended 31st March 2019, the State Government extended rupee term loan to the Company through ICICI Bank @ 5.00% p.a. interest for a period of 5 years aggregating to ₹ 36508.11 Lakhs which was utilised for clearance of sugarcane price for sugar season 2017-18 as per the scheme.

Pursuant to the requirements of Ind AS 20 – "Accounting for Government Grants and Disclosure of Government Assistance" and Ind AS 109 – "Financial Instruments", ₹ 4051.19 Lakhs was accounted for during the year ended 31st March, 2019 and included under Note No. 21 - "Deferred income".

Accordingly, proportionate income amounting to ₹ 750.15 Lakhs and ₹ 982.59 Lakhs has been adjusted with interest on long term borrowings for the year ended 31st March, 2022 and 31st March, 2021 respectively.

9. Employee Benefits :

As per Ind AS - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined Contribution Plan :

The contributions to defined contribution plan, recognised as expense in the Standalone Statement of Profit and Loss are as under :

(₹ in Lakhs)

Defined Contribution Plan	Year ended 31st March, 2022	Year ended 31st March, 2021
Contribution to Provident Fund	1459.76	1282.83
Contribution to Pension Scheme	779.30	773.32
Contribution to National Pension Scheme	36.04	-

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of continuance service is entitled to the same. The gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits depends on the member's length of service and salary at the time of cessation of the employment contract with the Company.

The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for its administration. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. Each year, the Board of Trustees reviews the asset-liability matching strategy, investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review.

The Company contributes ascertained liabilities towards gratuity to trust.

Note No. : 36 - Other disclosures *(contd...)*

9. Employee Benefits : *(contd...)*

The following tables summarizes the components of net benefit expense recognised in the Standalone Statement of Profit and Loss, the funded status and amounts recognised in the Standalone Balance sheet for the said plan:

(a) Details of funded post retirement plans are as follows :

(₹ in Lakhs)

Sl. No.	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
I.	**Expenses recognised in the Standalone Statement of Profit and Loss:**		
1	Current service cost	748.73	636.54
2	Net interest on the net defined benefit liability/asset	(36.02)	29.50
3	Expense recognised in the Standalone Statement of Profit and Loss	712.71	666.04
II.	**Standalone Other comprehensive income**		
1	Actuarial (gain) / loss arising from:		
	- change in financial assumptions	227.24	396.84
	- changes in experience adjustments	325.99	310.39
2	(Returns)/loss on plan assets	2.89	(621.60)
3	Components of defined benefit costs recognised in Standalone Other comprehensive income	556.12	85.63
III.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	8842.17	7437.56
2	Interest expense	558.49	487.63
3	Current service cost	748.73	636.54
4	Benefits paid	499.95	426.79
5	Actuarial (gain) / loss arising from:		
	- changes in financial assumptions	227.24	396.84
	- changes in experience adjustments	325.99	310.39
6	Present value of defined benefit obligation at the end of the year	10202.67	8842.17
IV.	**Change in fair value of plan assets during the year :**		
1	Plan assets at the beginning of the year	8800.50	5853.44
2	Interest income	594.51	458.13
3	Employers' contributions	1191.67	2294.12
4	Benefits paid	499.95	426.79
5	Re-measurement (Returns on plan assets excluding amounts included in interest income)	2.89	(621.60)
6	Fair value of plan assets at the end of the year	10083.84	8800.50
V.	**Net asset / (liability) recognised in the Standalone Balance Sheet as at the year end:**		
1	Present value of defined benefit obligation	10202.67	8842.17
2	Fair value of plan assets	10083.84	8800.50
3	Funded status [Surplus/(Deficit)]	(118.83)	(41.67)
4	Net asset / (liability) recognised in Standalone Balance Sheet	(118.83)	(41.67)
	- Current	(118.83)	(41.67)
	- Non-current	-	-

Note No. : 36 - Other disclosures *(contd...)*

9. Employee Benefits : *(contd...)*

(a) Details of funded post retirement plans are as follows : *(contd...)* (₹ in Lakhs, unless stated otherwise)

Sl. No.	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
VI.	**Actuarial assumptions :**		
1	Discount rate (per annum) (in %)	7.00%	6.50%
2	Expected return on plan assets (per annum) (in %)	7.00%	6.50%
3	Expected rate of salary increase (in %)	7.00%	6.25%
4	Retirement/superannuation age (in Year)	60	60
5	Mortality rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VII.	**Major category of plan assets as a % of the total plan assets as at the year end :**		
1	Administered by insurance companies (in %)	99.94%	99.95%
2	Others (Cash and cash equivalents) (in %)	0.06%	0.05%
VIII.	**Maturity profile of defined benefit obligation**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	481.97	334.80
	1-5 years	3441.22	2348.22
	5-10 years	7292.86	6734.40
	Total expected payments	**11216.05**	**9417.42**
	The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	9	10
IX.	**Sensitivity analysis on present value of defined benefit obligations:**		
	Discount rates		
	1.00% Increase	(856.44)	(763.88)
	1.00% Decrease	987.56	882.35
	Expected rates of salary increases		
	1.00% Increase	978.03	875.97
	1.00% Decrease	(864.20)	(772.51)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

X. The history of funded post retirement plans are as follows : (₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018
Present value of defined benefit obligation	10202.67	8842.17	7437.56	6106.16	4912.87
Fair value of plan assets	10083.84	8800.50	5853.44	5968.75	4912.87

Note No. : 36 - Other disclosures *(contd...)*

9. Employee Benefits : *(contd...)*

(b) Details of unfunded other long term benefit are as follows:

(₹ in Lakhs, unless stated otherwise)

Sl. No.	Particulars	Leave Encashment (Unfunded)	
		Year ended 31st March, 2022	Year ended 31st March, 2021
I.	**Components of employer expense :**		
1	Current service cost	49.60	57.62
2	Interest cost	51.46	43.63
3	Actuarial (gain) /loss recognised in the year	155.86	148.62
4	Expense recognised in the Standalone Statement of Profit and Loss	256.92	249.87
II.	**Change in present value of obligation :**		
1	Present value of obligation at the beginning of the year	845.87	696.66
2	Interest cost	51.46	43.63
3	Current service cost	49.60	57.62
4	Benefits paid	108.34	100.66
5	Actuarial (gain) /loss recognised in the year	155.86	148.62
6	Present value of obligation at the end of the year	994.45	845.87
III.	**Net asset / (liability) recognised in the Standalone Balance Sheet as at the year end:**		
1	Present value of defined benefit obligation	994.45	845.87
2	Fair value of plan assets	-	-
3	Funded status [Surplus/(Deficit)]	(994.45)	(845.87)
4	Net asset / (liability) recognised in Standalone Balance Sheet *	(994.45)	(845.87)
IV.	**Actuarial assumptions :**		
1	Discount rate (per annum) %	7.00%	6.50%
2	Expected rate of salary increase %	7.00%	6.25%
3	Retirement/superannuation age (Year)	60	60
4	Mortality rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
V.	**Maturity profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	38.28	25.81
	1-5 years	249.51	162.41
	5-10 years	524.45	471.63
	Total expected payments	**812.24**	**659.85**

* Excludes leave liability towards leave days above the maximum accumulation limit encashable once a year.

(c) Risks related to defined benefit plans:

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

(i) Mortality risk:

The assumptions adopted by the Company is to make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increases the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.

Note No. : 36 - Other disclosures *(contd...)*

9. Employee Benefits : *(contd...)*

(ii) Market and liquidity risks:

These are the risks that the investments do not meet the expected returns over the medium to long term. This also encompasses the mismatch between assets and liabilities. In order to minimise the risks, the structure of the portfolios is reviewed and asset-liability matching analysis are performed on a regular basis.

(d) Asset - liability management and funding arrangements

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

(e) Other disclosures :

The Gratuity and contribution to defined contribution plans have been recognised under " Contribution to provident, gratuity and other funds" and Leave encashment clubbed with " Salaries and wages" under Note No. 30 - Employee benefits expense.

10. Related party disclosures :

As per Ind AS - 24 "Related party disclosures", the Related party disclosures are as follows:

(a) Name of the related parties and description of relationship with whom transactions have taken place :-

(i)	**Associate Companies :** (Significant influence can be exercised)	1. Auxilo Finserve Pvt. Ltd. (AFPL)
		2. Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) (Ceased to be an a associate w.e.f. 15th February, 2022)

(ii)	**Key Management Personnel (KMP):**	1. Mr. Vivek Saraogi - Chairman and Managing Director *
		2. Dr. Arvind Krishna Saxena - Whole-time Director
		3. Mr. Dinesh Kumar Mittal - Independent Director
		4. Mr. Krishnava Dutt - Independent Director
		5. Ms. Veena Hingarh - Independent Director
		6. Ms. Mamta Binani - Independent Director (w.e.f. 5th November, 2020)
		7. Mr. Naresh Dayal - Non-Executive Non-Independent Director
		8. Mr. Sumit Mazumder - Independent Director (Upto 18th February, 2022)
		9. Mr. Shakti Prasad Ghosh - Independent Director (Upto 30th September, 2020)

* Became Chairman and Managing Director w.e.f. 24th May, 2022.

(iii)	**Other related parties:**	1. Late Kamal Nayan Saraogi - Father (deceased on 15th October, 2020)
	a) Close members of family ("Relatives") of KMP :	2. Ms. Sumedha Saraogi - Wife
		3. Ms. Avantika Saraogi - Daughter
	Mr. Vivek Saraogi	4. Ms. Stuti Dhanuka - Sister
	b) Entities over which KMP and/or their relatives have significant influence	
	Mr. Vivek Saraogi	1. Meenakshi Mercantiles Ltd.
		2. Udaipur Cotton Mills Co. Ltd.
		3. Ganna Agro Pvt. Ltd.
		4. Novel Suppliers Pvt. Ltd.
		5. Kamal Nayan Saraogi [HUF] (Upto 30th July, 2021)
		6. Vivek Saraogi [HUF]
	Mr. Krishnava Dutt	Argus Partners
	c) Post employment benefit plan	The Balrampur Sugar Company Limited Employees Gratuity Fund

Note No. : 36 - Other disclosures *(contd...)*

10. Related party disclosures : *(contd...)*

(b) Transactions with related parties :

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(i)	**Compensation/Remuneration of KMP**				
	Mr. Vivek Saraogi	-	630.73	-	630.73
		(-)	(636.28)	(-)	(636.28)
	Dr. Arvind Krishna Saxena	-	36.97	-	36.97
		(-)	(32.59)	(-)	(32.59)
(ii)	**Commission to non-executive directors**				
	Mr. Sumit Mazumder	-	22.00	-	22.00
		(-)	(21.00)	(-)	(21.00)
	Mr. Dinesh Kumar Mittal	-	24.00	-	24.00
		(-)	(21.00)	(-)	(21.00)
	Mr. Krishnava Dutt	-	16.00	-	16.00
		(-)	(14.00)	(-)	(14.00)
	Ms. Veena Hingarh	-	16.00	-	16.00
		(-)	(14.00)	(-)	(14.00)
	Ms. Mamta Binani	-	16.00	-	16.00
		(-)	(5.80)	(-)	(5.80)
	Mr. Naresh Dayal	-	16.00	-	16.00
		(-)	(14.00)	(-)	(14.00)
	Mr. Shakti Prasad Ghosh	-	-	-	-
		(-)	(7.00)	(-)	(7.00)
(iii)	**Sitting fees**				
	Mr. Sumit Mazumder	-	3.40	-	3.40
		(-)	(2.60)	(-)	(2.60)
	Mr. Dinesh Kumar Mittal	-	5.20	-	5.20
		(-)	(5.00)	(-)	(5.00)
	Mr. Krishnava Dutt	-	4.80	-	4.80
		(-)	(4.00)	(-)	(4.00)
	Ms. Veena Hingarh	-	4.20	-	4.20
		(-)	(2.60)	(-)	(2.60)
	Ms. Mamta Binani	-	8.00	-	8.00
		(-)	(2.80)	(-)	(2.80)
	Mr. Naresh Dayal	-	5.60	-	5.60
		(-)	(4.80)	(-)	(4.80)
	Mr. Shakti Prasad Ghosh	-	-	-	-
		(-)	(3.60)	(-)	(3.60)

Note No. : 36 - Other disclosures *(contd...)*

10. Related party disclosures : *(contd...)*

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(iv)	**Rendering of services**				
	Ms. Avantika Saraogi	-	-	30.55	30.55
		(-)	(-)	(10.65)	(10.65)
	Argus Partners	-	-	7.06	7.06
		(-)	(-)	(-)	(-)
(v)	**Sale of equity shares of an associate pursuant to buy-back (gross)**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(1019.52)	(-)	(-)	(1019.52)
(vi)	**Redemption of Investment in debentures (at amortised cost)**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(564.58)	(-)	(-)	(564.58)
(vii)	**Interest income (at amortised cost)**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(19.46)	(-)	(-)	(19.46)
(viii)	**Dividend received from an associate (gross)**				
	Visual Percept Solar Projects Pvt. Ltd.	1491.98	-	-	1491.98
		(-)	(-)	(-)	(-)
(ix)	**Recovery towards deputation of an employee**				
	Visual Percept Solar Projects Pvt. Ltd.	5.60	-	-	5.60
		(11.34)	(-)	(-)	(11.34)
(x)	**Rental income**				
	Ganna Agro Pvt. Ltd.	-	-	14.30	14.30
		(-)	(-)	(-)	(-)
(xi)	**Contribution to employees defined benefit plan**				
	The Balrampur Sugar Company Limited Employees Gratuity Fund	-	-	1268.83	1268.83
		(-)	(-)	(751.67)	(751.67)
(xii)	**Interim dividend paid to equity shareholders (gross)**				
	Mr. Vivek Saraogi	-	1028.96	-	1028.96
		(-)	(858.48)	(-)	(858.48)
	Dr. Arvind Krishna Saxena	-	0.38	-	0.38
		(-)	(0.38)	(-)	(0.38)
	Ms. Sumedha Saraogi	-	-	551.08	551.08
		(-)	(-)	(551.08)	(551.08)
	Ms. Avantika Saraogi	-	-	79.68	79.68
		(-)	(-)	(79.68)	(79.68)

Note No. : 36 - Other disclosures *(contd...)*

10. Related party disclosures : *(contd...)*

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
	Ms. Stuti Dhanuka	-	-	107.11	107.11
		(-)	(-)	(107.11)	(107.11)
	Meenakshi Mercantiles Ltd.	-	-	162.11	162.11
		(-)	(-)	(162.11)	(162.11)
	Udaipur Cotton Mills Co. Ltd.	-	-	142.24	142.24
		(-)	(-)	(142.24)	(142.24)
	Novel Suppliers Pvt. Ltd.	-	-	88.79	88.79
		(-)	(-)	(88.79)	(88.79)
	Kamal Nayan Saraogi (HUF)	-	-	-	-
		(-)	(-)	(170.48)	(170.48)
	Vivek Saraogi (HUF)	-	-	3.69	3.69
		(-)	(-)	(3.69)	(3.69)
(xiii)	**Amount paid upon buy-back of equity shares**				
	Mr. Vivek Saraogi	-	-	-	-
		(-)	(2753.79)	(-)	(2753.79)
	Dr. Arvind Krishna Saxena	-	-	-	-
		(-)	(1.21)	(-)	(1.21)
	Ms. Sumedha Saraogi	-	-	-	-
		(-)	(-)	(1771.24)	(1771.24)
	Ms. Avantika Saraogi	-	-	-	-
		(-)	(-)	(274.36)	(274.36)
	Ms. Stuti Dhanuka	-	-	-	-
		(-)	(-)	(362.06)	(362.06)
	Meenakshi Mercantiles Ltd.	-	-	-	-
		(-)	(-)	(518.13)	(518.13)
	Udaipur Cotton Mills Co. Ltd.	-	-	-	-
		(-)	(-)	(454.62)	(454.62)
	Novel Suppliers Pvt. Ltd.	-	-	-	-
		(-)	(-)	(283.78)	(283.78)
	Kamal Nayan Saraogi (HUF)	-	-	-	-
		(-)	(-)	(544.90)	(544.90)
	Vivek Saraogi (HUF)	-	-	-	-
		(-)	(-)	(11.78)	(11.78)
(xiv)	**Balance outstanding:**				
(a)	**Investments :**				
	Investment in equity instruments	15750.00	-	-	15750.00
		(17713.13)	(-)	(-)	(17713.13)
(b)	**Receivables :**				
	Receivable towards deputation of an employee	-	-	-	-
		(3.32)	(-)	(-)	(3.32)

Note No. : 36 - Other disclosures *(contd...)*

10. Related party disclosures : *(contd...)*

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(c)	**Payables :**				
	Remuneration payable	-	360.00	-	360.00
		(-)	(360.00)	(-)	(360.00)
	Sitting fees and commission (net of TDS)	-	99.00	-	99.00
		(-)	(89.73)	(-)	(89.73)
	Contribution to employees defined benefit plan	-	-	118.83	118.83
		(-)	(-)	(41.67)	(41.67)

Footnote:

Figures in brackets pertain to previous year.

(c) Details of Remuneration paid/payable to KMP:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022				Year ended 31st March, 2021			
	Mr. Vivek Saraogi	Dr. Arvind Krishna Saxena	Other Directors	Total	Mr. Vivek Saraogi	Dr. Arvind Krishna Saxena	Other Directors	Total
Short-term employee benefits								
- Salary	240.00	29.46	-	269.46	240.00	25.73	-	265.73
- Sitting fees	-	-	31.20	31.20	-	-	25.40	25.40
- Commission	360.00	-	110.00	470.00	360.00	-	96.80	456.80
- Perquisites	1.93	4.49	-	6.42	7.48	4.05	-	11.53
	601.93	**33.95**	**141.20**	**777.08**	**607.48**	**29.78**	**122.20**	**759.46**
Post-employment benefits								
Contribution to provident fund	28.80	3.02	-	31.82	28.80	2.81	-	31.61
	630.73	**36.97**	**141.20**	**808.90**	**636.28**	**32.59**	**122.20**	**791.07**

Footnote:

The above remuneration does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.

(d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

(e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provision for bad or doubtful debts has been recognised in current year and previous year in respect of the amounts owed by related parties.

(f) The remuneration of directors has been determined by the Nomination & Remuneration Committee, the Board and approved by the shareholders of the Company having regard to the performance of individuals and market trends.

Note No. : 36 - Other disclosures *(contd...)*

11. Revenue

(i) The details of performance obligation in terms of Ind AS 115 - Revenue from contracts with customers are as follows:

(a) Sugar

The Sugar segment of the Company principally generates revenue from manufacturing and sale of sugar and its by-products and power to distribution companies. Domestic sales of sugar is made on ex-factory terms/agreed terms to wholesale /institutional buyers/merchant exporters within the country. Domestic sugar sales is majorly done on advance payment terms.

Export sales of sugar to merchant exporters are done on ex-factory /delivered basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyers' specific location (as per agreed terms). The sale price and payment terms is fixed as per contracted terms.

Power is supplied to distribution companies from the Company's facilities in accordance with the sale price, payment terms and other conditions as per the Power Purchase Agreements ("PPA").

Bagasse and pressmud are sold generally on advance payment terms to customers on ex-factory basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyer.

(b) Distillery

The distillery segment of the Company principally generates revenue from sale of industrial alcohol which mainly constitutes ethanol sold under contracts with Public and Private Oil Marketing Companies ("OMCs") and other products to institutional buyers and power to distribution companies.

For sale of ethanol under contracts with OMCs, sale price is pre-determined based on Expression of Interest ("EOI")/Tender floated from OMCs. The prices are on delivered cost basis at OMC's locations inclusive of all duties/levies/taxes/charges etc. Payment terms is within 21 days after delivery of material and submission of original invoices.

Other products like Rectified Spirit, Extra Neutral Alcohol (ENA), etc. are sold on bulk basis to institutional buyers on ex-factory basis as per agreed terms. Revenue is recognised when goods have been shipped to the buyers' specific location as per agreed terms. The payment terms are fixed as per Company's credit policy which is up-to 45 days.

Power is supplied to distribution companies from the Company's facilities in accordance with the sale price, payment terms and other conditions as per the Power Purchase Agreements ("PPA").

(c) Others

Other segment principally generates revenue from sale of agricultural fertilisers such as soil conditioner, granulated potash etc.

Agricultural fertilisers such as soil conditioner, granulated potash etc. are sold to customers on ex-factory/ delivered cost basis as per agreed terms. Revenue is recognised when the goods have been shipped as per agreed terms (as the case may be). The payment terms are fixed as per Company's credit policy which is up-to 60 days.

(ii) Disaggregated revenue information have been given along with segment information [Refer Note No. 36(12)(d)].

12. Segment information

(a) The Managing Director has been identified as the Company's Chief Operating Decision-Maker (CODM) as defined by Ind AS 108 – Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed.

On a review being undertaken during the year based on the current business exigencies and reporting etc., in terms of Ind AS 108 "Operating Segments", sugar and distillery have been identified as distinctive operating segments pertaining to the Company's operation as against sugar, co-generation and distillery followed earlier by the Company. Accordingly, segmental information for the previous periods has been compiled/restated.

In addition, revenue and expenses have been identified to a segment based on the segment's operating activities. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as " Unallocable".

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures *(contd...)*

12. Segment information : *(contd...)*

(b) The following is an analysis of revenue and results from operations by reportable segments: (₹ in Lakhs)

Particulars	Sugar	Distillery	Others	Adjustments / Elimination	Total
Revenue					
External sales	375711.69	99669.80	1944.99	-	477326.48
	(381479.79)	(83591.87)	(2179.34)	(-)	(467251.00)
Inter segment sales	43310.23	471.29	15.46	(43796.98)	-
	(39773.37)	(560.40)	(53.58)	(-)(40387.35)	(-)
Other operating revenue	7276.20	-	-	-	7276.20
	(13914.70)	(-)	(-)	(-)	(13914.70)
Revenue from operations	**426298.12**	**100141.09**	**1960.45**	**(43796.98)**	**484602.68**
	(435167.86)	(84152.27)	(2232.92)	(-)(40387.35)	(481165.70)
Segment profit	**29630.30**	**38236.31**	**959.51**	**-**	**68826.12**
	(32947.47)	(34408.72)	(1044.73)	(-)	(68400.92)
Unallocable expenditure net of unallocable income *	-	-	-	-	5451.69
	(-)	(-)	(-)	(-)	(4860.43)
Finance costs					3086.89
					(3929.59)
Profit before exceptional items and tax					**60287.54**
					(59610.90)
Exceptional items					5273.75
					(-)
Profit before tax					**65561.29**
					(59610.90)
Tax					
Current tax					11465.79
					(10259.89)
Deferred tax					2629.73
					(2373.79)
Profit for the year					**51465.77**
					(46977.22)

* includes interest income ₹ 38.42 Lakhs (Previous year: ₹ 34.19 Lakhs)

Footnotes:

(i) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments/eliminations' column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at Company level. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at Company level.

(ii) Transactions between segments are primarily transferred at cost/estimated market prices. Common costs are apportioned on a reasonable basis.

(iii) Figures in brackets pertain to previous year.

Note No. : 36 - Other disclosures *(contd...)*

12. Segment information : *(contd...)*

(c) Other information

(₹ in Lakhs)

Particulars	Sugar	Distillery	Others	Unallocable	Total
Segment assets	330425.24	93562.16	2181.06	21518.32	447686.78
	(357388.98)	(74184.32)	(2231.22)	(22386.30)	(456190.82)
Segment liabilities	35628.85	5424.28	116.90	130700.65	171870.68
	(67593.88)	(1804.00)	(173.78)	(130234.56)	(199806.22)
Capital expenditure *	14208.07	20205.45	58.38	912.84	35384.74
	(6076.91)	(2838.30)	(224.19)	(170.00)	(9309.40)
Depreciation and amortisation	7679.41	3374.62	87.09	245.37	11386.49
	(7605.27)	(3246.05)	(76.87)	(259.45)	(11187.64)
Non cash expenses other than depreciation and amortisation	400.73	444.47	1.06	(21.98)	824.28
	(119.31)	(9.42)	(-)	(-)	(128.73)

*Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets and includes depreciation, interest and other borrowing costs capitalised.

Footnote:

Figures in brackets pertain to previous year.

(d) In the following table, revenue is disaggregated by geographical market, major products/service lines and timing of revenue recognition and includes a reconciliation of the disaggregated revenue with the Company's reportable segments.

(₹ in Lakhs)

Particulars	Domestic		Total reportable segment	All other segment	Total
	Sugar	Distillery			
Geographical markets					
Within India	357731.17	99669.80	457400.97	1944.99	459345.96
	(367299.90)	(83591.87)	(450891.77)	(2179.34)	(453071.11)
Within India to merchant exporter	17980.52	-	17980.52	-	17980.52
	(14179.89)	(-)	(14179.89)	(-)	(14179.89)
Total	**375711.69**	**99669.80**	**475381.49**	**1944.99**	**477326.48**
	(381479.79)	(83591.87)	(465071.66)	(2179.34)	(467251.00)
Major product					
Sugar (including Raw Sugar)	356255.26	-	356255.26	-	356255.26
	(362522.05)	(-)	(362522.05)	(-)	(362522.05)
Industrial alcohol	-	97462.00	97462.00	-	97462.00
	(-)	(81999.38)	(81999.38)	(-)	(81999.38)
Power	10857.17	683.61	11540.78	-	11540.78
	(12620.03)	(903.70)	(13523.73)	(-)	(13523.73)
Bagasse	7828.93	-	7828.93	-	7828.93
	(5585.46)	(-)	(5585.46)	(-)	(5585.46)
Others	770.33	1524.19	2294.52	1944.99	4239.51
	(752.25)	(688.79)	(1441.04)	(2179.34)	(3620.38)
Total	**375711.69**	**99669.80**	**475381.49**	**1944.99**	**477326.48**
	(381479.79)	(83591.87)	(465071.66)	(2179.34)	(467251.00)

Note No. : 36 - Other disclosures *(contd...)*

12. Segment information : *(contd...)*

(₹ in Lakhs)

Particulars	Domestic		Total reportable segment	All other segment	Total
	Sugar	Distillery			
Timing of revenue recognition					
Products and services transferred at a point in time	375711.69	99669.80	475381.49	1944.99	477326.48
	(381479.79)	(83591.87)	(465071.66)	(2179.34)	(467251.00)
Products and services transferred over time	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Total	**375711.69**	**99669.80**	**475381.49**	**1944.99**	**477326.48**
	(381479.79)	(83591.87)	(465071.66)	(2179.34)	(467251.00)

Footnote:
Figures in brackets pertain to previous year.

(e) Geographical information:
Refer Note No. 36 (12) (d) above for disclosures relating to revenue disaggregated by geographical market.

(f) Information about major customers:
No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2022 and 31st March, 2021.

13. Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
The Company has neither given any loan nor has advanced any amount either during the year ended 31st March, 2022 or 31st March, 2021. Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

14. During the year ended 31st March 2022, the Company has sold its entire shareholding of 45.00% in its associate Company viz. Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") consisting of 7852500 equity shares of ₹ 10/- each at an agreed consideration of ₹ 7317.71 Lakhs. Accordingly, VPSPPL ceases to be an Associate of the Company w.e.f. 15th February, 2022.

The resultant gain on sale of aforesaid investment aggregating to ₹ 5273.75 Lakhs (Previous year: ₹ Nil), net of transaction costs amounting to ₹ 80.83 Lakhs (Previous year: ₹ Nil) has been recognised and shown as "Exceptional items".

15. The Board of Directors of the Company at its meeting held on 15th September, 2017 considered and approved cumulative investment of ₹ 17500.00 Lakhs in tranches over a period of five years in Auxilo Finserve Private Limited ("AFPL"), an unlisted NBFC based in India and engaged in financing activities in education sector.

The Company has so far acquired 155000000 (Previous year: 155000000) Equity shares of AFPL having face value of ₹ 10/- each with total cost of ₹ 15750.00 Lakhs (Previous year: ₹ 15750.00 Lakhs) on preferential issue basis constituting 44.36% (Previous year: 45.05%).

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures *(contd...)*

16. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2022 (₹ in Lakhs)

Sl. No.	Particulars	Refer Note No.	Carrying and fair value		
			Cost	Amortised cost	Total
(1)	**Financial assets**				
(a)	Investments	6	15750.00	-	15750.00
(b)	Trade receivables	7	-	13672.39	13672.39
(c)	Cash and cash equivalents	13	-	32.18	32.18
(d)	Bank balances other than cash and cash equivalents	14	-	295.40	295.40
(e)	Other financial assets	8	-	479.43	479.43
	Total		**15750.00**	**14479.40**	**30229.40**
(2)	**Financial liabilities**				
(a)	Borrowings	18	-	120962.90	120962.90
(b)	Lease liabilities	19	-	108.35	108.35
(c)	Trade and other payables	24	-	30828.50	30828.50
(d)	Other financial liabilities	20	-	7542.21	7542.21
	Total		**-**	**159441.96**	**159441.96**

As at 31st March, 2021 (₹ in Lakhs)

Sl. No.	Particulars	Refer Note No.	Carrying and fair value		
			Cost	Amortised cost	Total
(1)	**Financial assets**				
(a)	Investments	6	17713.13	-	17713.13
(b)	Trade receivables	7	-	24546.35	24546.35
(c)	Cash and cash equivalents	13	-	44.67	44.67
(d)	Bank balances other than cash and cash equivalents	14	-	235.22	235.22
(e)	Other financial assets	8	-	9761.81	9761.81
	Total		**17713.13**	**34588.05**	**52301.18**
(2)	**Financial liabilities**				
(a)	Borrowings	18	-	123921.23	123921.23
(b)	Lease liabilities	19	-	116.81	116.81
(c)	Trade and other payables	24	-	59644.62	59644.62
(d)	Other financial liabilities	20	-	5517.49	5517.49
	Total		**-**	**189200.15**	**189200.15**

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables, and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

Note No. : 36 - Other disclosures *(contd...)*

16. Financial instruments - Accounting, Classification and Fair value measurements *(contd...)*

B. Fair value hierarchy *(contd...)*

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 prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

17. Financial risk management objectives and policies

The Company's principal financial liabilities includes borrowings, trade payables, other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that derive mainly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management under the supervision of Board of Directors oversees the management of these risks. The Company's financial risks 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 no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk. Financial instruments affected by market risk include borrowings and equity investments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations.

Sugar is produced over a period of 4 to 5 months and is required to be stored for sale over a period of 12 months, thereby resulting in very high requirement of working capital. Cost of funding depends on the overall fiscal environment in the country as well as the Company's credit worthiness /credit ratings. Failure to maintain credit rating can adversely affect the cost of funds.

To mitigate the interest rate risk, the Company maintains an impeccable track record and ensures long term relation with the lenders to raise adequate funds at competitive rates. Company has access to low cost borrowings because of its healthy Balance Sheet. Moreover, Company deals with four banks thereby reduces risk significantly. In addition, steady revenue from distillery business reduces the overall requirement of working capital.

As at 31st March 2022, the Company has outstanding non-current borrowings, aggregating to ₹ 25695.15 Lakhs (Previous year: ₹ 36252.77 Lakhs), out of which non-current borrowings of ₹ 9266.50 Lakhs (Previous year: ₹ 12522.50 Lakhs) are linked to variable interest rates and are covered under interest subvention scheme [Refer Note No. 18(i) and footnote (iv) to Note No. 36(8)]. Thus, 25 bps increase / decrease in the interest rate will not have a material impact in the Statement of Profit and Loss.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. To mitigate foreign exchange risk, the Company covers its position through permitted hedging methods. There was no foreign currency exposure as at 31st March, 2022 and 31st March, 2021.

Note No. : 36 - Other disclosures *(contd...)*

17. Financial risk management objectives and policies *(contd...)*

(iii) Commodity price risk

The major segment in which the Company operates, which accounts for around 80.00% of the Company's total revenue, is Sugar and as such the Company is exposed to commodity price risk.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Domestic sales quotas are announced by the Government on monthly basis. Further, there are not many active platforms in India that allow hedging of domestic sugar sales. In addition to the above, the Central Government had announced Minimum Sale Price (MSP) for sale of sugar in the open market by every sugar mill. Such MSP, currently at ₹ 31/- per kilogram acts as a minimum floor price for the sale of sugar by the sugar mills in India.

The pricing methodology for ethanol also remained unchanged. Ethanol prices are announced annually by the Central Government, which are generally not linked with the crude or petrol prices. Thus, there is no material price risk in this respect.

(iv) Other price risk:

The Board of Directors reviews and approves equity investment decisions. Company's equity risk exposure is limited to cost and these are subject to impairment testing as per the policies followed in this respect. Accordingly, other price risk is not expected to be material.

(b) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including borrowings from banks and financial institutions. The Company's sugar sales are mostly on cash. Power is sold to government entities and ethanol is sold under contracts with Public and Private Oil Marketing Companies ("OMCs"). The Company keeps a close watch on the realisation of the outstanding amounts and has not experienced any significant default.

The Company uses judgement in making the assumptions and selecting the inputs for assessing the impairment calculation, based on the Company's past history, existing market conditions, and future estimates at the end of each balance sheet date. Impairment allowance against financial assets is created and subsequently written off when there is no reasonable expectation of recovery. However, the Company continues to recover the receivables. Where recoveries are made, these are recognised in the Standalone Statement of Profit and Loss.

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing; Refer Note No. 36(11) for credit terms.

An impairment analysis is performed at each balance sheet date on an individual basis for major customers. Also, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each financial assets class disclosed under Note No. 7.

The following table summarises the change in the loss allowances measured using life time expected credit loss model for trade receivables:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening balance	97.63	97.63
Utilised during the year	35.27	-
Reversed during the year upon settlement	62.36	-
Closing balance	**-**	**97.63**
- Current	-	-
- Non-current	-	97.63

Note No. : 36 - Other disclosures *(contd...)*

17. Financial risk management objectives and policies *(contd...)*

(ii) Balances with banks

Credit risk for balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the Standalone balance sheet as at 31st March, 2022 and 31st March, 2021 is the carrying amounts as stated under Note No. 13 and 14.

(c) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to meet the funding requirement and maintain flexibility in this respect through the use of cash credit facilities, short term loans and commercial papers.

The table below summarises the carrying value and contractual cash flows of Company's financial liabilities :

(₹ in Lakhs)

Sl. No.	Particulars	Carrying value	Contractual cash flows	Less than 1 year	Between 1 to 5 years	More than 5 years
A.	**As at 31st March, 2022**					
(i)	Borrowings					
	- Current maturities of long - term debt	10557.62	10557.62	10557.62	-	-
	- Current - Loans repayable on demand	95985.41	95985.41	95985.41	-	-
		106543.03	106543.03	106543.03	-	-
	- Non-current	14419.87	15137.53	-	15137.53	-
		120962.90	121680.56	106543.03	15137.53	-
(ii)	Lease liabilities	108.35	149.70	16.63	66.53	66.54
(iii)	Trade and other payables	30828.50	30828.50	30828.50	-	-
(iv)	Other financial liabilities	7542.21	7542.21	7542.21	-	-
	Total	**159441.96**	**160200.97**	**144930.37**	**15204.06**	**66.54**
B.	**As at 31st March, 2021**					
(i)	Borrowings					
	- Current maturities of long - term debt	10557.62	10557.62	10557.62	-	-
	- Current - Loans repayable on demand	89136.27	89136.27	89136.27	-	-
		99693.89	99693.89	99693.89	-	-
	- Non-current	24227.34	25695.15	-	25695.15	-
		123921.23	125389.04	99693.89	25695.15	-
(ii)	Lease liabilities	116.81	166.33	16.63	66.53	83.17
(iii)	Trade and other payables	59644.62	59644.62	59644.62	-	-
(iv)	Other financial liabilities	5517.49	5517.49	5517.49	-	-
	Total	**189200.15**	**190717.48**	**164872.63**	**25761.68**	**83.17**

The Company has current financial and non-financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

Note No. : 36 - Other disclosures *(contd...)*

18. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the Company's equity shareholders. The Company's objective while managing capital is to safeguard its ability to continue as a going concern and continue to provide returns to shareholders and other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the financial covenants' requirements and return of capital to shareholders.

To achieve this overall objective, the Company's capital management, amongst other things, also aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. The Company has complied with these covenants. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2022 and 31st March, 2021.

The Company monitors capital using debt-equity ratio, which is total long-term debt divided by total equity.

(₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total long-term debt (including lease liabilities and current maturities of long-term debt)	25803.50	36369.58
Total equity	275816.10	256384.60
Debt to equity ratio	0.09	0.14

(b) Dividend on equity shares declared and paid:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Year to which interim dividend relates	2021-22	2020-21
Interim dividend paid per equity share (₹)	2.50	2.50
Gross amount of interim dividend (₹ in Lakhs)	5101.00	5250.00

19A. Other Statutory information

(i) Details of balance outstanding with struck off companies as at 31st March 2022: (₹ in Lakhs)

Name of struck off companies	Relationship with struck off company	Nature of transactions with struck off company	Balance outstanding	
			As at 31st March, 2022	As at 31st March, 2021
Sureka Equipments Pvt. Ltd.	Vendor	Purchases	-	-

(ii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note No. : 36 - Other disclosures *(contd...)*

19A. Other Statutory information *(contd...)*

(iii) For working capital facilities, the Company has submitted Stock and debtor statement to banks on monthly basis.

The difference between the value as per books and as per the monthly statements submitted on quarter ends with banks are given below:

(₹ in Lakhs)

Quarter ending	Value as per books of accounts	Value as per statements submitted with banks	Difference *
30th June, 2021	165568.33	163787.23	1781.10
30th September, 2021	68939.60	65248.95	3690.65
31st December, 2021	70707.71	64573.68	6134.03
31st March, 2022	210041.83	192891.14	17150.69
30th June, 2020	197107.95	203945.47	(6837.52)
30th September, 2020	93816.90	93460.19	356.71
31st December, 2020	93468.67	91492.76	1975.91
31st March, 2021	230361.95	229654.97	706.98

* Reason for difference

Differences are primarily due to the variation in valuation methodology of inventory of sugar. For Stock and debtors statements submitted to banks, sugar inventory have been valued at Government regulated Minimum Sale Price, whereas in books such inventory are carried at lower of cost or net realisable value as per the accounting policy of the Company.

Notes forming part of the standalone financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures *(contd...)*

19B. Ratio Analysis and its elements

Sl. No.	Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% Change	Reason for variance (where change is more than 25 %)
(1)	Current ratio	Current assets	Current Liabilities	1.60	1.63	(1.84%)	-
(2)	Debt- equity ratio	Long term borrowings (+) Current maturities of long term debt (+) Total deferred income (+) Total lease liabilities	Total equity computed as: Share capital (+) Other equity	0.09	0.14	(35.71%)	Repayment of long term debt during the year
(3)	Debt service coverage ratio	Profit for the year [i.e. Profit after tax] (+) Depreciation and amortisation expense (+) Finance costs (-) Exceptional items (Net of tax)	Finance costs (+) Current lease liabilities (+) Current maturities of long term debt	4.52	4.28	5.61%	-
(4)	Return on equity	Profit for the year [i.e. Profit after tax]	Average total equity	19.34%	19.04%	1.58%	-
(5)	Inventory turnover ratio	Revenue from operations	Average total inventory	2.12	2.06	2.91%	-
(6)	Trade receivable turnover ratio	Revenue from operations	Closing trade receivables	35.44	19.60	80.82%	Declining debtors
(7)	Trade payable turnover ratio	Total purchases	Closing trade payables	13.08	6.53	100.31%	Declining payables
(8)	Net capital turnover ratio	Revenue from operations	Average working capital computed as: Average current assets (–) Average current liabilities	4.97	4.84	2.68%	-
(9)	Net profit ratio	Profit for the year [i.e. Profit after tax]	Revenue from operations	0.11	0.10	8.81%	-
(10)	Return on capital employed	Profit before tax (+) Interest on long term borrowings (+) Interest on lease liabilities (-) Exceptional items	Average capital employed Capital employed computed as: Total equity (-) Intangible assets (+) Long term borrowings (+) Current maturities of long term debt (+) Total deferred income (+) Total lease liabilities (+) Deferred tax liabilities	20.72%	21.55%	(3.85%)	-
(11)	Return on Investment (investment in associates in equity shares - carried at cost)	Gain on buy-back of equity shares of an associate (+) Dividend received from an associate (+) Exceptional items [i.e. Profit on sale of equity shares of an associate]	Average investment in equity shares	40.44%	4.23%	856.03%	a) Dividend received from an associate during the year b) Profit on sale of equity shares of an associate during the year
	Return on Investment (investment in associates in debentures - measured at amortised cost)	Interest income on financial assets carried at amortised cost	Average investment in debentures	-	6.89%	(100.00%)	Investment redeemed during the previous year

Note No. : 36 - Other disclosures *(contd...)*

20. The Schedule III to the Companies Act 2013 vide notification dated 24th March 2021 issued by Ministry of Corporate Affairs (MCA) has been amended with effect from 1st April 2021 and these standalone financial statements have been prepared giving effect to the said amendments.

Further, on the review being undertaken during the year in terms of Ind AS 108 "Operating Segments", sugar and distillery have been identified as distinct operating segments pertaining to the Company's operation.

Accordingly, comparative figures of the previous year have been compiled/restated and disclosed wherever applicable to make them comparable with those of the current years' figures.

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/-	sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	*Company Secretary*	*Chief Financial Officer*	*Whole-time Director*	*Chairman and Managing Director*
Membership No.- 052438			DIN - 00846939	DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

CONSOLIDATED
Financial Statements

Independent Auditors' Report

To
The Members of
Balrampur Chini Mills Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of **Balrampur Chini Mills Limited** (hereinafter referred to as "the Company") and share of its profit of Associates, which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on financial statements, and on the other financial information of the Associates, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Company including its Associates, as at 31st March, 2022, consolidated profit (including other comprehensive income), consolidated changes in equity and the consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) notified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated financial statements' section of our report. We are independent of the Company and its Associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (hereinafter referred to as 'ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the key audit matters for incorporation in our report.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our opinion on the accompanying consolidated financial statements.

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
1.	**Valuation and determination of Inventory** As on 31st March, 2022, the Company has inventory of sugar with the carrying value of ₹ 179471.85 Lakhs which forms significant part of the total assets of the Company. The inventory of sugar is valued at the lower of cost and net realizable value. Significant judgement is involved in determining • the cost of production of sugar which is dependent upon variability in seasonal factors including number of sugarcane crushing days, recovery of sugar from cane and valuation of the products incidental to production of sugar.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the inventory include the following:** • Evaluating the accounting policy followed for valuation of inventory of sugar and appropriateness thereof with respect to relevant accounting standards in this respect. • Review of the process of physical verification of sugar and its reconciliation with the book stock.

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
	• the realizable price of sugar which is factored by minimum sale price, monthly quota and fluctuation in domestic and international selling prices.	• Understanding and testing the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar and consistency with respect to policy followed in this respect. • Assessing the adequacy of the method used, relevance and reliability of data and the systems & procedures followed for arriving at the cost of sugar inventory. • Review of the selling price of sugar prevailing at the year end and subsequent to the same and directives of the Government concerning minimum sale price, monthly quota and initiative taken by the company ensuring the compliances thereof.
2.	**Recognition of Deferred tax assets and liabilities** Deferred tax assets pertaining to MAT Credit entitlement amounting to ₹ 13796.19 Lakhs as on 31st March, 2022, which includes amount recognised in earlier years has been continued in the books of accounts in this year. Recognition of deferred tax assets and liabilities is based on expected utilization and/ or reversal thereof considering the management's projection of future taxable income of the company. This involves estimation of future operations and profitability based on assumptions and anticipations which may be in variance with the actual happening.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the recognition of deferred tax assets include the following:** • Evaluation of the temporary differences and utilization/ reversal of deferred tax assets and liabilities based on internal forecasts by the management and resultant impact on future taxable income of the Company. • The above includes critical review of underlying assumptions for consistency and arriving at reasonable level of probability on the matters with due regard to the current and past results and performances, as required in terms of Ind AS 12 'Income Taxes' and principles in this regard. • Review of management's assumption with respect to profit in future periods and taxability thereof and placing reliance on such assumptions and projections given the current scale of operations and prevailing conditions and situations.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report but does not include consolidated financial statements, standalone financial statements and our auditors' report thereon. Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 with respect to the above.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards notified under section 133 of the Act read with relevant rules issued there under. The respective Board of Directors of the Company and its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and its Associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Company including its Associates are responsible for assessing the Company's ability including its Associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company including its Associates.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 based on these consolidated 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 consolidated 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 controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company including its Associates has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability including its Associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Company including its Associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the Company including its Associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

We did not audit the financial statements of two Associates, Auxilo Finserve Private Limited (AFPL) and Visual Percept Solar Projects Private Limited (VPSPPL) included in the consolidated financial statements for the year ended 31st March, 2022 which includes:

a. The Company's share of net profit after tax of ₹ 457.54 Lakhs, other comprehensive income of ₹ (4.78) Lakhs, total comprehensive income of ₹ 452.76 Lakhs for the year ended 31st March, 2022 in respect of AFPL. The financial statements of AFPL for the year ended 31st March, 2022 have been audited by other auditor in accordance with Standards on Auditing notified under Section 143 of the Act and their report containing unmodified opinion, have been furnished to us by the management.

b. The Company's share of net profit after tax of ₹ 597.57 Lakhs, other comprehensive income of ₹ (0.45) Lakhs, total comprehensive income of ₹ 597.12 Lakhs for the year ended 31st March, 2022 till the date of cessation in respect of VPSPPL. VPSPPL, as given in Note No. 36(14) to the consolidated financial statements, ceases to be an associate with effect from 15th February, 2022. The figures have been taken based on the interim condensed financial statements of VPSPPL for the period from 1st April, 2021 till the date of cessation as audited by statutory auditor of the said company in accordance with Standards on Auditing notified under Section 143 of the Act and their report thereupon containing unmodified opinion, have been furnished to us by the management.

Our opinion is not modified in respect of the above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The matters reported hereunder are based on the financial statements of the Company and its associate "AFPL" and on consideration of report of other auditor of the said associate existing as on the reporting date. Other associate "VPSPPL", which has ceased to be associate with effect from 15th February, 2022 has therefore not been considered for the purposes of reporting.

1. With respect to the matters specified in paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditor of the Associate Company included in the consolidated financial statements, as provided to us by the Management, we report that the remarks given in CARO Report of the respective Companies are neither qualification nor adverse in nature and as such nothing further is required to be reported in this respect under this paragraph.

2. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements ;

   b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor ;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements ;

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time ;

   e) Based on the written representations received from the directors of the Company as on 31st March, 2022 taken on record by the Board of Directors of the Company and as per the report of other statutory auditor of its Associate, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act ;

   f) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls, refer to our Report in "Annexure A" which is based on the audited report of the Company audited by us and its Associate audited by other auditor. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal control with reference to consolidated financial statements of the Company and its Associate incorporated in India; and

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), in our opinion and to the best of our information and according to the explanations given to us:

   i. Pending litigations (other than those already recognised in the consolidated financial statements) having material impact on the financial position of the Company have been disclosed in the consolidated financial statements as required in terms of accounting standards and provisions of Companies Act, 2013 – refer Note No. 36(1)(a), 36(1)(b) and 36(3)(b) to the consolidated financial statements ;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses ;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and in case of its associate there were no amount which were required to be transferred to such fund;

   iv. a. The respective managements of the Company and its Associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Associate that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its Associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its Associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ;

      b. The respective managements of the Company and its Associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Associate that, to the best of their knowledge and belief, no funds have been received by the Company or its Associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its Associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ;

      c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the other auditor of the Associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as stated under (a) and (b) above, contain any material misstatement ; and

   v. As stated in Note No. 36(18)(b) to the consolidated financial statements, the interim dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act. The associate has not declared or paid any dividend during the year.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the remuneration (including sitting fees) paid by the Company and its Associate to its respective Directors during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For LODHA & CO
Chartered Accountants
Firm's Registration No.- 301051E

sd/-
R. P. SINGH
Partner
Membership No.- 052438
UDIN: 22052438AJMTNY2905

Place: Kolkata
Date: 24th May, 2022

Annexure "A" to the Independent Auditors' Report on consolidated financial statements

(Referred to in point (f) of paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of M/s Balrampur Chini Mills Limited)

Report on the Internal Financial Controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (hereinafter referred to as "the Act")

In conjunction with our audit of the consolidated financial statements of the Company and its Associate as of and for the year ended 31st March, 2022, we have audited the internal financial controls with reference to the consolidated financial statements of Balrampur Chini Mills Limited (hereinafter referred to as "the Company") and its Associate, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

The respective Board of Directors of the Company and its Associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred to as 'the Guidance Note') issued by the Institute of Chartered Accountants of India (hereinafter referred to as '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 respective 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to the consolidated financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing deemed to be notified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 the consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls with reference to the consolidated 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 auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the auditor of the Associate, which are companies incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to the consolidated 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, the Company and its Associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to the consolidated financial statements and such internal financial controls with reference to consolidated financial statements was operating effectively as at 31st March, 2022, based on the internal control with reference to the consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to its Associate as on the reporting date, which are companies incorporated in India, is based on the corresponding report of the auditor, as applicable, of such companies incorporated in India.

For LODHA & CO
Chartered Accountants
Firm's Registration No.- 301051E

sd/-
R. P. SINGH
Partner
Membership No.- 052438
UDIN: 22052438AJMTNY2905

Place: Kolkata
Date: 24th May, 2022

Consolidated Balance Sheet as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022		As at 31st March, 2021	
ASSETS					
Non - current assets					
(a) Property, plant and equipment	4	163267.37		159775.40	
(b) Capital work-in-progress	4A	20430.05		1447.90	
(c) Intangible assets	5	97.26		82.95	
(d) Financial assets					
(i) Investments					
Investment in associates accounted for using the equity method	6	17256.12		24915.52	
(ii) Trade receivables	7(i)	-		-	
(iii) Other financial assets	8(i)	204.66		214.21	
(e) Non-current tax assets (net)	9	1142.34		641.38	
(f) Other non-current assets	10	9143.20		878.24	
Total Non-current assets			**211541.00**		**187955.60**
Current assets					
(a) Inventories	11	220050.73		237845.71	
(b) Biological assets	12	18.95		6.08	
(c) Financial assets					
(i) Trade receivables	7(ii)	13672.39		24546.35	
(ii) Cash and cash equivalents	13	32.18		44.67	
(iii) Bank balances other than cash and cash equivalents	14	295.40		235.22	
(iv) Other financial assets	8(ii)	274.77		9547.60	
(d) Other current assets	15	3307.48		3211.98	
Total Current assets			**237651.90**		**275437.61**
TOTAL ASSETS			**449192.90**		**463393.21**
EQUITY AND LIABILITIES					
Equity					
(a) Share capital	16	2040.40		2100.00	
(b) Other equity	17	274930.95		259814.78	
Total equity			**276971.35**		**261914.78**
Liabilities					
Non - current liabilities					
(a) Financial liabilities					
(i) Borrowings	18(i)	14419.87		24227.34	
(ii) Lease liabilities	19	91.72		100.18	
(b) Deferred income	21	222.52		717.66	
(c) Provisions	22(i)	957.44		820.85	
(d) Deferred tax liabilities (net)	23	7550.40		6400.44	
Total Non-current liabilities			**23241.95**		**32266.47**
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	18(ii)	106543.03		99693.89	
(ii) Lease liabilities	19	16.63		16.63	
(iii) Trade and other payables	24				
(a) Trade payables					
Total outstanding dues of micro enterprises and small enterprises		205.18		128.75	
Total outstanding dues of creditors other than micro enterprises and small enterprises		27579.37		59174.93	
(b) Other payables					
Total outstanding dues of micro enterprises and small enterprises		406.92		26.46	
Total outstanding dues of creditors other than micro enterprises and small enterprises		2637.03		314.48	
(iv) Other financial liabilities	20	7542.21		5517.49	
(b) Deferred income	21	495.14		750.15	
(c) Other current liabilities	25	2880.20		3053.50	
(d) Provisions	22(ii)	673.89		535.68	
Total Current liabilities			**148979.60**		**169211.96**
TOTAL EQUITY AND LIABILITIES			**449192.90**		**463393.21**
Accompanying notes 1 to 36 are an integral part of the consolidated financial statements.					

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

Consolidated Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
Revenue from operations	26	484602.68	481165.70
Other income	27	3301.55	2692.10
Total income		**487904.23**	**483857.80**
Expenses:			
Cost of materials consumed	28	326173.02	351186.14
Changes in inventories of finished goods, by-products and work-in-progress	29	19441.60	(5583.15)
Employee benefits expense	30	30780.44	28164.99
Finance costs	31	3086.89	3929.59
Depreciation and amortisation expense	32	11386.49	11187.64
Other expenses	33	38237.81	36014.40
Total expenses		**429106.25**	**424899.61**
Profit before share of profit of associates, exceptional items and tax		**58797.98**	**58958.19**
Share of profit of associates		1194.09	1959.77
Profit before exceptional items and tax		**59992.07**	**60917.96**
Exceptional items	36(14)	(120.37)	-
Profit before tax		**59871.70**	**60917.96**
Tax expense	34		
Current tax		11465.79	10259.89
Deferred tax		1942.36	2679.07
Total tax expense		**13408.15**	**12938.96**
Profit for the year		**46463.55**	**47979.00**
Other comprehensive income	35		
Items that will not be reclassified to profit or loss		(562.80)	(85.52)
Income tax relating to items that will not be reclassified to profit or loss		195.78	29.90
Total other comprehensive income for the year		**(367.02)**	**(55.62)**
Total comprehensive income for the year		**46096.53**	**47923.38**
(Comprising of profit and other comprehensive income for the year)			
Earnings per equity share of ₹ 1/- each	36(7)		
- Basic and Diluted (₹)		22.44	22.48
Weighted average number of shares used in computing earnings per share			
- Basic and Diluted		207022892	213452055
Accompanying notes 1 to 36 are an integral part of the consolidated financial statements.			

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

Consolidated Statement of Changes in Equity for the year ended 31st March, 2022

(a) Equity share capital

For the year ended 31st March, 2022 (₹ in Lakhs)

Opening balance as at 1st April, 2021	Changes in equity share capital during the year [Refer Note No. 16(c)]	Closing balance as at 31st March, 2022
2100.00	(59.60)	2040.40

For the year ended 31st March, 2021 (₹ in Lakhs)

Opening balance as at 1st April, 2020	Changes in equity share capital during the year [Refer Note No. 16(c)]	Closing balance as at 31st March, 2021
2200.00	(100.00)	2100.00

(b) Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus						Other comprehensive income	Total other equity
	Capital reserve	Securities premium	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Opening balance as at 1st April, 2021	**3184.58**	**-**	**3004.48**	**36.09**	**150000.00**	**103589.63**	**-**	**259814.78**
Changes in equity during the year ended 31st March, 2022								
Profit for the year	-	-	-	-	-	46463.55	-	46463.55
Other comprehensive income for the year	-	-	-	-	-	-	(367.02)	(367.02)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**46463.55**	**(367.02)**	**46096.53**
Transfer on account of buy-back of equity shares [Refer Note No. 36(4)]	-	-	59.60	-	-	(59.60)	-	-
Utilised on account of buy-back of equity shares [Refer Note No. 36(4)]	-	-	-	-	-	(21464.28)	-	(21464.28)
Tax on buy-back of equity shares [Refer Note No. 36(4)]	-	-	-	-	-	(4986.76)		(4986.76)
Buy-back expenses (net of tax ₹ 61.26 Lakhs) [Refer Note No. 36(4)]	-	-	-	-	-	(114.04)		(114.04)
Storage fund for molasses created during the year [Refer Note No. 17(v)]	-	-	-	53.20	-	-	-	53.20
Transfer to/from retained earnings	(2741.52)	-	-	-	20000.00	(17625.50)	367.02	-
Deferred tax adjustment on consolidation	632.52							632.52
Interim dividend [Refer Note No. 36(18)(b)]	-	-	-	-	-	(5101.00)	-	(5101.00)
Closing balance as at 31st March, 2022	**1075.58**	**-**	**3064.08**	**89.29**	**170000.00**	**100702.00**	**-**	**274930.95**

Consolidated Statement of Changes in Equity for the year ended 31st March, 2022 *(contd...)*

(b) Other equity *(contd...)*

(₹ in Lakhs)

Particulars	Reserves and surplus						Other comprehensive income	Total other equity
	Capital reserve	Securities premium	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Opening balance as at 1st April, 2020	**3184.58**	**9819.98**	**2904.48**	**87.19**	**110000.00**	**113373.24**	**-**	**239369.47**
Changes in equity during the year ended 31st March, 2021								
Profit for the year	-	-	-	-	-	47979.00	-	47979.00
Other comprehensive income for the year	-	-	-	-	-	-	(55.62)	(55.62)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**47979.00**	**(55.62)**	**47923.38**
Transfer on account of buy-back of equity shares	-	(100.00)	100.00	-	-	-	-	-
Utilised on account of buy-back of equity shares	-	(9719.98)	-	-	-	(8180.02)	-	(17900.00)
Tax on buy-back of equity shares	-	-	-	-	-	(4193.28)	-	(4193.28)
Buy-back expenses (net of tax ₹ 44.95 Lakhs)	-	-	-	-	-	(83.69)	-	(83.69)
Storage fund for molasses created during the year [Refer Note No. 17(v)]	-	-	-	55.73	-	-	-	55.73
Storage fund for molasses written back during the year [Refer Note No. 17(v)]	-	-	-	(106.83)	-	-	-	(106.83)
Transfer to/from retained earnings	-	-	-	-	40000.00	(40055.62)	55.62	-
Interim dividend [Refer Note No. 36(18)(b)]	-	-	-	-	-	(5250.00)	-	(5250.00)
Closing balance as at 31st March, 2021	**3184.58**	**-**	**3004.48**	**36.09**	**150000.00**	**103589.63**	**-**	**259814.78**

Description of nature and purposes of each reserve have been disclosed in Note No. 17.

Accompanying notes 1 to 36 are an integral part of the consolidated financial statements.

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

Consolidated Cash Flow Statement for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before share of profit of associates, exceptional items and tax		**58797.98**		**58958.19**
Adjustments to reconcile profit before share of profit of associates, exceptional items and tax to net cash flow provided by operating activities :				
Finance costs	3086.89		3929.59	
Depreciation and amortisation expense	11386.49		11187.64	
Loss /(profit) on sale/discard of property, plant and equipment (net)	744.75		(83.57)	
Sundry debit balances/advances written off	14.70		36.33	
Obsolete stores and spares written off (net)	1.05		36.67	
Provision for obsolescence /non-moving stores and spares	10.58		-	
Transfer to storage fund for molasses	53.20		55.73	
Interest income on financial assets	(37.85)		(31.44)	
Gain on buy-back of equity shares of an associate	-		(101.31)	
Gain on deemed disposal of investment in an associate	(2.42)		-	
Liabilities no longer required written back	(274.62)		(321.22)	
Provision for doubtful advances written back	-		(1.02)	
Allowance for impaired receivables written back	(97.63)		-	
Bad debts written off	35.27		-	
Storage fund for molasses written back	-		(106.83)	
		14920.41		14600.57
Operating profit before working capital changes		**73718.39**		**73558.76**
Adjustments to reconcile operating profit to cash flow provided by changes in working capital :				
Decrease/(increase) in inventories	17783.35		(8385.25)	
(Increase)/decrease in biological assets	(12.87)		6.42	
Decrease/(increase) in trade receivables	10936.32		(617.48)	
Decrease in other current /non-current financial assets	9281.92		20227.18	
(Increase) in other current /non-current assets	(644.53)		(607.02)	
Withdrawal /(deposit) from escrow account	20.94		(6.14)	
(Decrease) in trade payables	(31244.51)		(7369.60)	
Increase /(decrease) in other current financial liabilities	1950.43		(2338.58)	
(Decrease) in other current liabilities	(173.30)		(2858.21)	
(Decrease) in provisions	(281.32)		(1424.57)	
		7616.43		(3373.25)
Cash generated from operations		**81334.82**		**70185.51**
Tax paid (net)		(11869.59)		(5264.68)
Net cash generated from operating activities (A)		**69465.23**		**64920.83**

Consolidated Cash Flow Statement for the year ended 31st March, 2022 *(contd...)*

(₹ in Lakhs)

Particulars		Year ended 31st March, 2022		Year ended 31st March, 2021	
B. CASH FLOW FROM INVESTING ACTIVITIES					
Additions to property, plant and equipment, capital-work-in progress and intangible assets		(40407.80)		(10086.07)	
Sale of property, plant and equipment		760.51		309.55	
Sale of shares of an associate pursuant to buy-back		-		1019.52	
Redemption of debentures		-		554.75	
Sale of non-current investment in equity shares of an associate (net of transaction cost)		7236.88		-	
Fixed deposits placed with banks		(90.81)		(97.15)	
Fixed deposits redeemed from banks		32.13		144.74	
Dividend received from an associate		1491.98		-	
Interest received on debentures/fixed deposits		38.32		41.95	
Net cash used in investing activities	**(B)**		**(30938.79)**		**(8112.71)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Payment towards buy-back of equity shares		(21523.88)		(18000.00)	
Payment of tax towards buy-back of equity shares		(4986.76)		(4193.28)	
Buy-back expenses		(175.30)		(128.64)	
Repayment of long-term borrowings		(10557.62)		(8336.53)	
Proceeds / (repayment) of short-term borrowings (net)		6849.14		(16732.93)	
Payment of lease liabilities		(8.46)		(23.98)	
Interest paid		(2965.04)		(4207.79)	
Other borrowing costs		(70.01)		(39.54)	
Interim dividend paid		(5101.00)		(5250.00)	
Net cash used in financing activities	**(C)**		**(38538.93)**		**(56912.69)**
Net (decrease) in cash and cash equivalents	**(A+B+C)**		**(12.49)**		**(104.57)**
Opening cash and cash equivalents			44.67		149.24
Closing cash and cash equivalents for the purpose of Consolidated Cash Flow Statement			**32.18**		**44.67**

Footnotes:

1) The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

2) Cash and cash equivalents do not include any amount which is not available to the Company for its use.

Consolidated Cash Flow Statement for the year ended 31st March, 2022 *(contd...)*

3) Change in Company's liabilities arising from financing activities: (₹ in Lakhs)

Particulars	As at 31st March, 2021	Cash flows*	Non-cash flows	As at 31st March, 2022
a) Non-current borrowings from banks [Refer Note No. 18 (i)]	24227.34	-	(9807.47)	14419.87
b) Current maturities of long-term debt [Refer Note No. 18 (ii)]	10557.62	(10557.62)	10557.62	10557.62
c) Short-term borrowings # [Refer Note No. 18 (ii)]	89136.27	6849.14	-	95985.41
d) Interest accrued but not due on borrowings [Refer Note No. 20]	326.06	(326.06)	377.90	377.90
e) Lease liabilities [Refer Note No. 19]	116.81	(16.63)	8.17	108.35
Total	**124364.10**	**(4051.17)**	**1136.22**	**121449.15**

* Includes cash flows on account of both principal and interest.

Cash flows represents cash flows during the year on net basis.

4) Company has incurred ₹ 1119.67 Lakhs (Previous year: ₹ 1067.55 Lakhs) in cash on account of Corporate Social Responsibility (CSR) expenditure during the year ended 31st March 2022.

5) Cash and cash equivalents as at the Balance Sheet date consists of: (₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Balance with banks	2.69	10.07
b) Cash on hand	29.49	34.60
Closing cash and cash equivalents (Refer Note No. 13)	**32.18**	**44.67**

Accompanying notes 1 to 36 are an integral part of the consolidated financial statements.

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

1A. Corporate information

The consolidated financial statements comprise financial statements of Balrampur Chini Mills Ltd. ("BCML" or "Company") and its two associates; Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") [upto the date of cessation] and Auxilo Finserve Pvt. Ltd. ("AFPL").

Balrampur Chini Mills Limited ("BCML" or "Company") having Corporate Identity Number ("CIN") L15421WB1975PLC030118 is a public limited company incorporated under the provisions of the Companies Act, domiciled in India, and has its registered office located at FMC Fortuna, 2nd Floor, 234/3A, A. J. C. Bose Road, Kolkata – 700020, West Bengal, India.

The Company's shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

The Company is one of the major integrated sugar manufacturing companies in India. The principal activity of the Company is the manufacturing and sale of sugar. Besides this, the allied business activities of the Company primarily consist of manufacturing and sale of ethanol, ethyl alcohol, generation and sale of power and manufacturing and sale of agricultural fertilisers.

The consolidated financial statements for the year ended 31st March, 2022 were approved for issue by the Company's Board of Directors on 24th May 2022 and are subject to adoption by the shareholders in the ensuing Annual General Meeting.

1B. Basis of preparation

These consolidated financial statements ("consolidated financial statements") have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act (to the extent notified) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the consolidated financial statements under historical cost convention and on an accrual basis, except certain financial instruments and biological assets which are measured in terms of relevant Ind AS at fair value/cost.

All Ind AS issued and notified till the consolidated financial statements are approved for issue by the Board of Directors have been considered in preparing these consolidated financial statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

All the assets and liabilities (other than deferred tax assets/liabilities) have been classified as current or non-current as per Company's normal operating cycle, and other criteria set out in Division II of Schedule III to the Companies Act, 2013. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified its operating cycle as 12 months for current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are considered non-current.

The items included in the consolidated financial statements (including notes thereon) are measured using the currency of the primary economic environment in which the Company operates ("the functional currency") and are, therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs." or" ₹"). All amounts disclosed in the consolidated financial statements, including notes thereon, have been rounded off to the nearest two decimals of Lakhs unless otherwise stated.

1C. Basis of consolidation

The consolidated financial statements have been prepared in accordance with the principles laid down in "Ind AS 110" on "Consolidated Financial Statements" and "Ind AS 28" on "Accounting for Investments in Associates and Joint Ventures".

The Company's investments in its associates are accounted for using the equity method. Under the equity method, the investment in associates is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate since the acquisition date. If the Company's share of the net fair value of the investee's identifiable assets and liabilities exceeds the cost of the investment, any excess is recognised directly in Equity as capital reserve in the period in which the investment is acquired. Goodwill, if any, relating to the associate is included in the carrying amount of the investment and is not tested for impairment.

1C. Basis of consolidation *(contd...)*

The consolidated statement of profit and loss reflects the Company's share of the results of operations of the associates. Any change in other comprehensive income of investee is presented as part of the Company's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associates, the Company recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Company and the associates are eliminated to the extent of the interest in the associates.

If the Company's share of losses of associates equals or exceeds its interest in the associates (which includes any long term interest that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associates. If the associate subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit or loss of associates is shown on the face of the consolidated statement of profit and loss.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date, i.e., year ended on 31st March. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each balance sheet date, the Company determines whether there is objective evidence that the investment in the associates is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit/ loss of associates' in the consolidated statement of profit and loss.

1D. Recent pronouncements

(i) New and revised standards adopted by the Company

The Ministry of Corporate Affairs (MCA) vide Notification dated 18th June 2021 has issued Companies (Indian Accounting Standard) Amendment Rules, 2021. The Company has applied the following standards and amendments for the first time during the year ended 31st March 2022. These amendments had no impact on the financial statements of the Company.

The amendment under Ind AS 38 and Ind AS 37 clarifies that the definition of "asset" under Ind AS 38 and the definition of "liability" under Ind AS 37 are not revised following the revision of the definition of "asset" and "liability" in the Conceptual Framework respectively.

Reference to the "Framework for Preparation and Presentation of Financial Statements" with Ind AS has been substituted with reference to the "Conceptual Framework" under Ind AS 1, Ind AS 8, and Ind AS 34.

Certain amendments have been made under Ind AS 115 to maintain consistency with the number of paragraphs of IFRS 15.

In the definition of "recoverable amount", for the words "fair value less costs to sell", the words "fair value less costs of disposal" have been substituted. The consequential amendments are made in Ind AS 105, Ind AS 16, and Ind AS 28.

(ii) Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) vide Notification dated 23rd March 2022 has issued Companies (Indian Accounting Standard) Amendment Rules, 2022. These amendments to the extent relevant to the Company's operations include:

Amendment to Ind AS 16 which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of the cost of an item of property plant and equipment.

Amendment to Ind AS 37 specifies that the "cost of fulfilling" a contract comprises the "costs that relate directly to the contract". Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour and materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the

1D. Recent pronouncements *(contd...)*

depreciation charge for an item of property plant and equipment used in fulfilling the contract).

Other amendments in various standards, including Ind AS 101, Ind AS 103, Ind AS 109 "Financial Instruments", and Ind AS 41 "Agriculture", have not been listed above since these are not relevant to the Company.

Even though the Company will evaluate the impact of the above, none of these amendments are vital in nature and are not likely to have a material impact on the Company's financial statements.

2. Significant accounting policies

2.1 Revenue recognition

Revenue from contracts with customers is accounted for only when it has commercial substance, and all the following criteria are met:

(i) parties to the contract have approved the contract and are committed to performing their respective obligations;

(ii) each party's rights regarding the goods or services to be transferred and payment terms there against can be identified;

(iii) consideration in exchange for the goods or service to be transferred is collectible and determinable.

(a) Revenue from operations

The Company derives revenue primarily from the sale of manufactured goods.

Revenue is measured based on the consideration specified in the contract with the customers. It excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over the goods or services has been transferred and/or goods /services are delivered/provided to the customers. Delivery occurs when the goods have been shipped or delivered to a specific location, and the customer has either accepted the goods under the contract or the Company has sufficient evidence that all the criteria for acceptance have been satisfied.

Returns, discounts, and rebates as determined are deducted from sales.

(b) Other income

(i) Interest income

For all debt instruments measured at amortised cost, interest income is recognised using the Effective Interest Rate ("EIR"). Interest income is included in "Other income" in the Consolidated Statement of Profit and Loss.

(ii) Dividend Income

Dividend income is recognised when Company's right to receive the dividend is established, i.e., in the case of interim dividend, on the date of declaration by the Board of Directors; whereas in the case of final dividend, on the date of approval by the shareholders.

(iii) Insurance claims

Insurance claims are accounted for based on claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.2 Property, plant and equipment ("PPE") and Capital work-in-progress ("CWIP")

(a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, including non-recoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalised as part of the asset's cost until such time that the asset is ready for its intended use.

(b) Costs incurred subsequent to initial capitalization are included in the assets' carrying amount only when it is probable that future economic benefits will flow to the Company and can be measured reliably.

The carrying amount of the replaced part is derecognised. However, the costs of regular servicing of property, plant and equipment are recognised in the Consolidated Statement of Profit and Loss as and when incurred.

2. Significant accounting policies *(contd...)*

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for provisions are met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components. Otherwise, these are added to and depreciated over the useful life of the main asset.

The cost and related accumulated depreciation and impairment losses, if any, are eliminated from the consolidated financial statements upon sale or when no future economic benefits are expected to arise from the use of the asset, and the resultant gains or losses are recognised in the Consolidated Statement of Profit and Loss.

(c) Property, plant and equipment include Leasehold land classified as Right-of-use assets.

(d) Depreciation methods estimated useful lives and residual value

Depreciation on items of property, plant and equipment commences when the assets are available for their intended use. It is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset specified under Schedule II to the Companies Act, 2013, except in respect of items of "Plant and equipment" and "Vehicles" whose estimated useful lives are determined based on technical assessment and evaluation made by the technical expert to reflect the actual usage of the assets and past history of replacement.

The estimated useful lives considered are as follows:

Category	As on 31st March, 2022
Buildings	03 - 60 years
Roads	03 - 10 years
Plant and equipment	05 - 25 years
Furniture and fixtures	10 years
Vehicles	05 - 10 years
Office equipments	03 - 05 years
Computers	03 - 06 years
Electrical installations and equipment	05 - 10 years
Pipelines	15 years

The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Each item of property, plant and equipment individually costing ₹ 5,000/- or less is depreciated over one year from the date the said asset is available for use.

The residual values of assets (individually costing more than ₹ 5,000/-) are not more than 5% of the asset's original cost.

The estimated useful lives, residual values, and depreciation method are reviewed at least annually during each financial year-end and adjusted prospectively, wherever appropriate.

(e) Treatment of expenditure during construction period:

Property, plant and equipment that are not ready for intended use on the balance sheet date are disclosed as "Capital work-in-progress". Advances paid towards acquiring property, plant and equipment outstanding at each balance sheet date are classified as Capital advances under "Other non-current assets".

Directly attributable expenditures (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under "Capital work-in-progress".

2. Significant accounting policies *(contd...)*

2.3 Intangible assets

(a) Intangible assets are measured at cost, less accumulated amortization, and impairment losses, if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services, and any directly attributable expenses, wherever applicable, for bringing the asset to its working condition for the intended use.

Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset.

(b) Amortization methods estimated useful lives and residual value

Computer software is amortised on a straight-line basis over its estimated useful lives of five years from the date they are available for use.

The estimated useful lives, residual values, and amortization method are reviewed at least annually during each financial year-end and adjusted prospectively, wherever appropriate.

(c) The cost and related accumulated amortization are eliminated from the consolidated financial statements upon sale or retirement of the asset. However, the resultant gains or losses are recognised in the Consolidated Statement of Profit and Loss.

2.4 Inventories

(a) Inventories (other than by-products and scraps) are valued at lower of cost and net realizable value after providing for obsolescence, if any.

Cost of inventory comprises the purchase price, cost of conversion, and other directly attributable costs incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories. The cost of inventories is computed on a weighted average basis.

Net realizable value (NRV) is the estimated selling price in the ordinary course of business, less estimated costs of completion, and the estimated costs necessary to make the sale.

(b) By-products and scraps are valued at net realizable value.

2.5 Biological assets

Biological assets comprise Standing crops (crops under development) of sugarcane.

The biological process starts with the preparation of land for planting and seedlings and ends with harvesting crops. For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example, seedlings planted immediately before the balance sheet date), assets are measured at cost, i.e., the total expenses incurred on such plantation up to the balance sheet date. When harvested, depending upon the biological process stage, the cane is transferred to inventory at cost or at a fair value less cost to sell.

2.6 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the Company will comply with all the conditions attached to them.

Government grants related to property, plant and equipment, including non-monetary grants, are presented in the Balance sheet by deducting the grant arriving at the asset's carrying amount.

Government grants of revenue in nature are recognised on a systematic basis in the Consolidated Statement of Profit and Loss over the period necessary to match them with the related costs and are adjusted with the related expenditure. If not related to a specific expenditure, it is considered income and included under "Other operating revenue" or "Other income".

The benefits of a government loan at a below-market rate of interest or loan with interest subvention are treated as government grants. The loan or assistance is initially recognised at fair value. The government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised on a systematic basis

2. Significant accounting policies *(contd...)*

in the Consolidated Statement of Profit and Loss. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

2.7 Borrowing costs

Borrowing costs, general or specific that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Consolidated Statement of Profit and Loss in the period in which they are incurred.

2.8 Leases

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.

The Company's lease asset class primarily consists of leases for land. At the inception of the contract, Company assesses whether a contract is or contains a lease. 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 and (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) Company has the right to direct the use of the asset.

At the date of commencement of the lease, Company recognises 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 or low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Leasehold land classified as Right-of-use assets is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortised 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.

2.9 Provisions, contingent liabilities, and contingent assets

(a) A provision is recognised if, as a result of a past event, Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation as of the balance sheet date, considering the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset. Accordingly, the expense relating to the provision is presented in the Consolidated Statement of Profit and Loss, net of any reimbursement.

(b) Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

2. Significant accounting policies *(contd...)*

(c) A contingent asset is not recognised in the consolidated financial statements; however, it is disclosed where an inflow of economic benefits is probable.

(d) Provisions, contingent liabilities, and contingent assets are reviewed at each balance sheet date.

2.10 Dividend payable

The final dividend on equity shares is recorded as a liability on the date of approval by the shareholders. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Accordingly, a corresponding amount is recognised directly in equity.

2.11 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding on the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Any income or expense arising on foreign exchange difference either on settlement or on translation is recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

2.12 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits, are recognised as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss in the year in which the related service is rendered.

(b) Defined contribution plans

The Company pays provident and other fund contributions to publicly administered funds as per related Government regulations.

The Company has no further obligation other than the contributions payable to the respective funds. The Company recognises contribution payable to such funds as an expense when an employee renders the related service.

(c) Defined benefit plans

The Company operates a defined benefit gratuity plan, and the contribution towards it is made to "The Balrampur Sugar Company Limited Employees Gratuity Fund" ("the Trust"). Trustees administer contributions made to the Trust, which are invested through insurance companies.

The liability or asset recognised in the Balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated by external actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in Other Comprehensive Income in the period they occur and are included in Retained earnings in the Consolidated Statement of Changes in Equity and in the Consolidated Balance sheet.

(d) Compensated absences

The employees of the Company are entitled to compensated absences that are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using the projected unit credit method for the unused entitlement accumulated at the balance sheet date.

The benefits are discounted using the market yields at the end of the balance sheet date that has terms approximating the terms of the related obligation. Re-measurements resulting from experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2. Significant accounting policies *(contd...)*

2.13 Financial instruments

Financial assets and financial liabilities are recognised in the Consolidated Balance sheet when the Company becomes a party to the contractual provisions of financial instruments. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

The Company categorises financial assets and financial liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(i) Level 1: Quoted prices (unadjusted) in active markets for identical financial assets or financial liabilities that the Company can access at the measurement date.

(ii) Level 2: Inputs other than quoted prices included within level 1 observable for the financial asset or financial liability, either directly or indirectly.

(iii) Level 3: Unobservable inputs for the financial asset or financial liability.

A. Financial assets

I. Initial recognition and measurement

The financial assets include equity securities, trade receivables, loans and advances, cash and bank balances, derivative financial instruments, and other financial assets.

Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition.

II. Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

(i) at Amortised Cost,

(ii) at Fair Value Through Other Comprehensive Income (FVTOCI), and

(iii) at Fair Value Through Profit or Loss (FVTPL).

(a) Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if the following two conditions are met:

(i) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is determined using the Effective Interest Rate ("EIR") method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

(b) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are measured at fair value through Other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets, and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

(c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are not classified in any of the categories above are fair value through profit or loss.

(d) Equity investments

Equity investments in the scope of Ind AS 109 are measured at fair value except for investments in associates, which are carried at cost.

The Company makes an election to present changes in fair value either through OCI or through profit or loss on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

2. Significant accounting policies *(contd...)*

If Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. In addition, profit or loss arising on sale is also taken to OCI. The amount accumulated in this respect is transferred within the Equity.

III. De-recognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

B. Financial liabilities

I. Initial recognition and measurement

The financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, derivative financial instruments etc.

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

II. Subsequent measurement

For subsequent measurement, financial liabilities are classified into two categories:

(i) Financial liabilities at amortised cost, and

(ii) Derivative instruments at fair value through profit or loss (FVTPL).

Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. When the financial liabilities are derecognised, gains and losses are recognised in profit or loss. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

III. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

C. Derivative financial instruments

Initial recognition and subsequent measurement

A derivative financial instrument, such as foreign exchange forward contracts, is used to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

D. Offsetting of financial instruments

Financial assets and financial liabilities, including derivative financial instruments, are offset, and the net amount is reported in the Balance sheet if there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

E. Equity share capital

Ordinary shares are classified as Equity.

An equity instrument is a contract that evidences a residual interest in the Company's assets after deducting all of its liabilities.

Incremental costs directly attributable to the issuance of new equity shares are shown as a deduction from the Equity net of any tax effects.

2. Significant accounting policies *(contd...)*

2.14 Impairment of assets

(a) Non-financial assets

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher an asset's fair value, less costs of disposal, and its value in use.

To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If, at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognised is reversed so that the asset is recognised at its recoverable amount but not exceeding the value which would have been reported in this respect if the impairment loss had not been recognised.

(b) Financial assets

The Company recognises loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortised cost.

The Company recognises lifetime expected credit losses for trade receivables. Loss allowance equal to the lifetime expected credit losses are recognised if the credit risk of the financial asset has significantly increased since initial recognition.

2.15 Taxes

Income tax expense comprises current tax and deferred tax. It is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognised in Equity or Other Comprehensive Income (OCI).

(a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws enacted or substantively enacted by the balance sheet date and applicable for the period.

In correlation to the underlying transaction relating to OCI and Equity, current tax items are recognised in OCI and Equity, respectively.

Management periodically evaluates positions taken in the tax returns to situations in which applicable tax regulations are subject to interpretation. Then, full provisions are made where appropriate based on the amount expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

(b) Deferred tax

Deferred tax assets and liabilities are recognised for the deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the balance sheet date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits, and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits, and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no

2. Significant accounting policies *(contd...)*

longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax items in correlation to the underlying transaction relating to OCI and Equity are recognised in OCI and Equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid under the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability.

Accordingly, MAT is recognised as a deferred tax asset in the Balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

2.16 Earnings per Share

(a) Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of outstanding equity shares.

(b) Diluted earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares that could be issued on the conversion of all dilutive potential equity shares.

2.17 Segment reporting

Operating segments are identified and reported considering the different risks and return organizational structure and internal reporting systems to the Chief Operating Decision-Maker.

2.18 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks, and short-term highly liquid investments with an original maturity of three months or less and carry an insignificant risk of changes in value.

2.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing flows. Accordingly, the Company's cash flows from operating, investing, and financing activities are segregated.

2.20 Exceptional items

Exceptional items include income or expenses that are part of ordinary activities. However, they are of such significance and nature that separate disclosure enables the user of financial statements to understand the impact more clearly. These items are identified by their size or nature to facilitate comparison with prior periods and assess underlying trends in the Company's financial performance.

3. Use of critical estimates, judgements and assumptions

The preparation of the consolidated financial statements in conformity with the measurement principle under Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent assets and liabilities.

The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

3. Use of critical estimates, judgements and assumptions *(contd...)*

The application of accounting policies that require critical judgements and accounting estimates involving complex and subjective judgements and the use of assumptions in these consolidated financial statements have been disclosed here in below:

(i) Estimated useful life of property, plant and equipment

Property, plant and equipment 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 at-least annually during each financial year end. The lives are based on technical evaluation, technological obsolesces and historical experience with similar assets as well as anticipation of future events, which may impact their lives. This re-assessment may result in a change in depreciation and amortization expense in future periods.

(ii) Current taxes and deferred taxes

Significant judgement is required in the determination of the taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes and option to be exercised for application of reduced rates of taxation on possible cessation of tax deduction and exhaustion of MAT credit entitlement in future years based on estimates of future taxable profits.

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that taxable profit would probably be available against which the losses and tax credit could be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination.

(iii) Retirement benefit obligations

The Company's retirement benefit obligations cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, inflation, future salary increments and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at-least annually during each financial year end.

(iv) Fair value measurements of financial instruments

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets are determined using valuation techniques including the Discounted Cash Flow (DCF) model. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions at regular intervals.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Provisions, contingent liabilities and contingent assets

The timing of recognition and quantification of the provisions, contingent liabilities and contingent assets require the application of judgement to existing facts and circumstances which are subject to change on the actual occurrence or happening. Judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/ litigations against the Company and possible inflow of resources in respect of the claims made by the Company which has been considered to be contingent in nature. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Note No. : 4 - Property, plant and equipment and Capital work-in-progress

(₹ in Lakhs)

Particulars	Property, plant and equipment												Capital work-in-progress @
	Land (Free hold)	Land (Right of use)	Buildings	Roads	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Electrical installation and equipment	Pipelines	Total	
Gross block													
Gross carrying amount as at the beginning of 1st April, 2021	**6604.67**	**584.67**	**44730.05**	**2636.73**	**133079.42**	**1213.72**	**1826.24**	**266.55**	**1038.76**	**15625.62**	**11774.16**	**219380.59**	**1447.90**
Additions during the year	1034.27	-	2159.52	168.03	8311.16	305.63	459.80	132.61	239.43	2566.28	972.10	16348.83	33092.62
Disposals/deductions during the year	7.03	-	81.07	0.04	2217.74	20.33	239.09	14.16	26.42	105.37	26.95	2738.20	14110.47
Gross carrying amount as at the end of 31st March, 2022	**7631.91**	**584.67**	**46808.50**	**2804.72**	**139172.84**	**1499.02**	**2046.95**	**385.00**	**1251.77**	**18086.53**	**12719.31**	**232991.22**	**20430.05**
Depreciation													
Accumulated depreciation as at the beginning of 1st April, 2021	-	60.32	7971.02	1487.45	35126.73	542.42	882.56	146.63	679.95	8006.81	4701.30	59605.19	-
Depreciation for the year	-	29.18	1600.32	229.05	7043.22	130.39	310.92	58.19	147.59	989.47	813.27	11351.60	-
Disposals/deductions during the year	-	-	52.96	-	859.86	12.25	195.15	12.59	22.75	65.26	12.12	1232.94	-
Accumulated depreciation as at the end of 31st March, 2022	**-**	**89.50**	**9518.38**	**1716.50**	**41310.09**	**660.56**	**998.33**	**192.23**	**804.79**	**8931.02**	**5502.45**	**69723.85**	**-**
Net carrying amount as at the end of 31st March, 2022	**7631.91**	**495.17**	**37290.12**	**1088.22**	**97862.75**	**838.46**	**1048.62**	**192.77**	**446.98**	**9155.51**	**7216.86**	**163267.37**	**20430.05**
Gross block													
Gross carrying amount as at the beginning of 1st April, 2020	6648.92	634.93	41860.94	2369.44	129095.12	984.83	1694.33	220.00	890.77	15185.66	11504.01	211088.95	1239.64
Additions during the year	5.80	182.13	2937.18	267.29	4171.93	243.11	286.16	58.08	176.24	445.64	295.40	9068.96	8232.34
Disposals/deductions during the year	50.05	232.39	68.07	-	187.63	14.22	154.25	11.53	28.25	5.68	25.25	777.32	8024.08
Gross carrying amount as at the end of 31st March, 2021	**6604.67**	**584.67**	**44730.05**	**2636.73**	**133079.42**	**1213.72**	**1826.24**	**266.55**	**1038.76**	**15625.62**	**11774.16**	**219380.59**	**1447.90**
Depreciation													
Accumulated depreciation as at the beginning of 1st April, 2020	-	35.95	6463.63	1312.70	28158.03	446.99	718.60	119.85	580.80	7162.81	3773.92	48773.28	-
Depreciation for the year	-	24.37	1559.53	174.75	7062.56	104.99	286.55	36.44	124.64	849.03	928.00	11150.86	-
Disposals/deductions during the year	-	-	52.14	-	93.86	9.56	122.59	9.66	25.49	5.03	0.62	318.95	-
Accumulated depreciation as at the end of 31st March, 2021	**-**	**60.32**	**7971.02**	**1487.45**	**35126.73**	**542.42**	**882.56**	**146.63**	**679.95**	**8006.81**	**4701.30**	**59605.19**	**-**
Net carrying amount as at the end of 31st March, 2021	**6604.67**	**524.35**	**36759.03**	**1149.28**	**97952.69**	**671.30**	**943.68**	**119.92**	**358.81**	**7618.81**	**7072.86**	**159775.40**	**1447.90**

@ Refer Note No. 4A

Footnotes:

a) Depreciation capitalised and transferred to capital work-in-progress ₹ 4.56 Lakhs (Previous year: ₹ 1.39 Lakhs) - Refer Note No. 4A.

b) The Company has availed loans from banks against security of the fixed assets (i.e. property, plant and equipment) as referred in Note No. 18.

c) Buildings include ₹ 1.66 Lakhs (Previous year: ₹ 1.66 Lakhs) being cost of 79833 (Previous year: 79833) equity shares of Fortuna Services Ltd.

d) For capital commitment with regards to property, plant and equipment Refer Note No. 36(1)(c).

Note No. : 4 A - Capital work-in-progress

(₹ in Lakhs)

Particulars		As at 31st March, 2022		As at 31st March, 2021	
Building, plant and equipment , electrical installations etc. in -progress					
Additions during the year			32453.52		8149.17
	(A)		**32453.52**		**8149.17**
Preoperative and trial run expenses					
Additions during the year :					
Cost of materials consumed			28.05		-
Employee benefits expense					
Salaries and wages		108.42		-	
Contribution to provident and other funds		9.53		-	
Staff welfare expense		1.56	119.51	-	-
Depreciation expense			4.56		1.39
Other expenses					
Consumption of stores					
Other than process chemicals		2.41		-	
Power and fuel		200.63		-	
Rent		19.49		-	
Insurance		0.86		-	
Rates and taxes (excluding taxes on income)		8.10		3.97	
Professional expenses		170.91		75.24	
Miscellaneous expenses		84.58	486.98	2.57	81.78
	(B)		**639.10**		**83.17**
Total additions during the year	C= (A+B)		**33092.62**		**8232.34**
Balance brought forward					
Building, plant and equipment , electrical installations etc. in - progress	**(D)**		1447.90		1239.64
	E = (C+D)		**34540.52**		**9471.98**
Capitalised during the year	**(F)**		14110.47		8024.08
Capital work-in-progress at the end of the year	G= (E-F)		**20430.05**		**1447.90**

Capital work-in-progress ageing schedule:

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (includes goods in transit)	20360.16	69.89	-	-	20430.05
Projects temporarily suspended	-	-	-	-	-
Total	**20360.16**	**69.89**	**-**	**-**	**20430.05**

Note No. : 4 A - Capital work-in-progress *(contd...)*

As at the end of 31st March, 2021 (₹ in Lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (includes goods in transit)	1447.90	-	-	-	1447.90
Projects temporarily suspended	-	-	-	-	-
Total	**1447.90**	**-**	**-**	**-**	**1447.90**

Note No. : 5 - Intangible assets

(₹ in Lakhs)

Particulars	Computer software
Gross block	
Gross carrying amount as at the beginning of 1st April, 2021	585.49
Additions during the year	53.76
Disposals/deductions during the year	0.86
Gross carrying amount as at the end of 31st March, 2022	**638.39**
Amortisation	
Accumulated amortisation as at the beginning of 1st April, 2021	502.54
Amortisation for the year	39.45
Disposals/deductions during the year	0.86
Accumulated amortisation as at the end of 31st March, 2022	**541.13**
Net carrying amount as at the end of 31st March, 2022	**97.26**
Gross block	
Gross carrying amount as at the beginning of 1st April, 2020	556.10
Additions during the year	32.18
Disposals/deductions during the year	2.79
Gross carrying amount as at the end of 31st March, 2021	**585.49**
Amortisation	
Accumulated amortisation as at the beginning of 1st April, 2020	467.17
Amortisation for the year	38.16
Disposals/deductions during the year	2.79
Accumulated amortisation as at the end of 31st March, 2021	**502.54**
Net carrying amount as at the end of 31st March, 2021	**82.95**

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 6 - Investment in associates accounted for using the equity method

(a) Break-up of investment in associates (Non-current) (₹ in Lakhs)

Particulars	Face value	Number of shares	As at 31st March, 2022	Number of shares	As at 31st March, 2021
Investment in Equity instruments					
Fully paid up :					
Unquoted					
Investment in associates					
Auxilo Finserve Pvt. Ltd. ("AFPL") [Refer Note No. 36(15)]	₹ 10	155000000	17256.12	155000000	16663.42
Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") # [Refer Note No. 36(14)]	₹ 10	-	-	7852500	8252.10
			17256.12		**24915.52**
Aggregate amount of quoted investments			Not applicable		Not applicable
Aggregate market value of quoted investments			Not applicable		Not applicable
Aggregate amount of unquoted investments			17256.12		24915.52
Aggregate amount of impairment in value of investments			Nil		Nil

Sold during the year

(b) Details of the associates

The Company's interest in associates is accounted for using the equity method in the consolidated financial statements

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Company	
			As at 31st March, 2022	As at 31st March, 2021
Auxilo Finserve Pvt. Ltd.	Financing activities in education sector in India	Mumbai	44.36%	45.05%
Visual Percept Solar Projects Pvt. Ltd.	Generation and sale of power	Mumbai, Surendranagar (Gujrat)	-	45.00%

Summarised financial information of associates (₹ in Lakhs)

Particulars	AFPL	
	As at 31st March, 2022	As at 31st March, 2021
Financial assets	85187.79	66127.45
Non-financial assets	1090.24	825.48
Financial liabilities	47069.18	29573.42
Non-financial liabilities	305.21	126.52
Net assets of associate	**38903.64**	**37252.99**
Consolidation adjustment	-	264.27
Net assets for the purpose of consolidation	**38903.64**	**36988.72**

Note No. : 6 - Investment in associates accounted for using the equity method *(contd...)*

(₹ in Lakhs)

Particulars	VPSPPL	
	As at 31st March, 2022	As at 31st March, 2021
Non-current assets	-	17130.05
Current assets	-	1446.64
Non-current liabilities	-	206.39
Current liabilities	-	32.31
Net assets for the purpose of consolidation	**-**	**18337.99**

Summarised performance of associates

(₹ in Lakhs)

Particulars	AFPL		VPSPPL	
	Year ended 31st March, 2022	Year ended 31st March, 2021	Period ended 15th February, 2022	Year ended 31st March, 2021
Revenue	8719.23	7509.91	4592.02	5601.47
Profit before tax	1504.70	1319.28	2206.84	3482.04
Tax expenses	247.91	357.05	874.75	(385.93)
Profit after tax	1256.79	962.23	1332.09	3867.97
Other comprehensive income (net of tax)	(13.93)	0.02	(1.01)	0.21
Total comprehensive income	1242.86	962.25	1331.09	3868.18
Company's proportionate share of profit for the year/period *	557.47	496.91	597.57	1462.86
Company's proportionate share of other comprehensive income for the year/period	(6.18)	0.01	(0.45)	0.10

* Net of expenses and tax paid on buy-back of shares and adjustment pertaining to employee stock options.

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements:

(₹ in Lakhs)

Particulars	AFPL		VPSPPL	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Net assets of the associate	38903.64	36988.72	-	18337.99
Proportion of the Company's ownership interest	44.36% *	45.05%	-	45.00%
Company's share of net assets	**17256.12**	**16663.42**	**-**	**8252.10**

* Rounded off to the nearest two decimals.

Note No. : 7 - Trade receivables *(carried at amortised cost)*

(i) Non-current *(Unsecured, considered good unless stated otherwise)* (₹ in Lakhs)

Particulars		As at 31st March, 2022		As at 31st March, 2021
Trade receivables				
Credit impaired		-		97.63
Less : Allowance for impaired receivables		-		97.63
		-		-

(ii) Current *(Unsecured, considered good unless stated otherwise)* (₹ in Lakhs)

Particulars		As at 31st March, 2022		As at 31st March, 2021
Trade receivables		13672.39		24546.35
		13672.39		**24546.35**

Trade receivables ageing schedule

As at the end of 31st March, 2022 (₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 6 Months	6 months - 1 year	1-2 years	More than 3 years	
Undisputed trade receivables						
- Considered good	8948.69	4713.15	10.55	-	-	13672.39
Total	**8948.69**	**4713.15**	**10.55**	**-**	**-**	**13672.39**

As at the end of 31st March, 2021 (₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 6 Months	6 months - 1 year	1-2 years	More than 3 years	
Undisputed trade receivables						
- Considered good	16424.35	8121.90	0.10	-	-	24546.35
Disputed trade receivables						
- Credit impaired	-	-	-	-	97.63	97.63
	16424.35	8121.90	0.10	-	97.63	24643.98
Less : Allowance for impaired receivables	-	-	-	-	97.63	97.63
Total	**16424.35**	**8121.90**	**0.10**	**-**	**-**	**24546.35**

Other information

(i) No trade receivable are due from directors or other officers of the company either severally or jointly with any other person nor due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Details relating to the Company's credit risk management have been given in Note No. 36(17)(b).

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 8 - Other financial assets *(carried at amortised cost)*

(i) Non-current *(Unsecured, considered good unless stated otherwise)* (₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Security deposits		92.11		100.12
Fixed deposits with banks				
(With more than 12 months maturity)				
With Excise authorities (Pledged)		106.20		106.19
Interest accrued but not due on				
Fixed deposits with banks		6.35		7.90
		204.66		**214.21**

(ii) Current *(Unsecured, considered good unless stated otherwise)* (₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Advance to employees		183.93		183.84
Claims receivable*		86.87		9357.06
Interest accrued but not due on				
Fixed deposits with banks	2.52		1.60	
Other deposits	1.45	3.97	1.29	2.89
Others#		-		3.81
		274.77		**9547.60**
* Includes claim for subsidy [Refer Note No. 36(8)]				
# Due from an Associate Company		-		3.32

Note No. : 9 - Non-current tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Advance tax		57085.28		58073.70
Less : Provision for taxation		55942.94		57432.32
		1142.34		**641.38**

Note No. : 10 - Other non-current assets *(Unsecured, considered good unless stated otherwise)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Capital advances		8295.99		565.36
Advances other than capital advances				
Other advances				
Advances to suppliers and others				
Considered doubtful	9.31		9.31	
Less: Allowance for bad and doubtful advances	9.31	-	9.31	-
Others				
Prepaid expenses	240.12		74.49	
Duties and taxes paid under protest	607.09	847.21	238.39	312.88
		9143.20		**878.24**

Note No. : 11 - Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Raw materials	10290.63		9425.82	
Add : Goods-in-transit	73.45	10364.08	7.19	9433.01
Packing materials		324.23		322.40
Work-in-progress				
Sugar	2791.64		1770.53	
By-product	371.08	3162.72	284.82	2055.35
Finished goods				
Sugar	179471.85		201416.00	
Industrial alcohol	945.53		5015.23	
Banked power	246.11		163.23	
Others	46.16		61.19	
	180709.65		206655.65	
Add : Goods-in-transit	616.46	181326.11	449.19	207104.84
Stores and spares	7000.49		6344.32	
Add : Goods-in-transit	170.35		106.88	
	7170.84		6451.20	
Less: Provision for obsolescence /non-moving stores and spares [Refer Note No. 33]	10.58	7160.26	-	6451.20
Loose tools		0.16		0.16
By-products		17659.00		12452.04
Scrap		54.17		26.71
		220050.73		**237845.71**
Footnotes:				
(i) Carrying amount of inventories pledged as security for borrowings (Refer Note No. 18 for charge created/security terms against borrowings)		205422.25		231514.28
(ii) Amount of write-down of inventories recognised as expense		1144.79		-
(iii) Refer Note No. 2.4 for mode of valuation				

Note No. : 12 - Biological assets

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Reconciliation of changes in book value of biological assets:				
Opening balance		6.08		12.50
Additions during the year		40.81		28.72
Decrease due to harvested sugarcane transferred to inventory *		27.94		35.14
Closing balance		**18.95**		**6.08**

* Includes sugarcane captively consumed

Note No. : 13 - Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Balances with banks		2.69		10.07
Cash on hand		29.49		34.60
		32.18		**44.67**

Note No. : 14 - Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Earmarked balances				
Fixed deposits for molasses storage fund				
Original maturity period up to 12 months		104.68		51.02
Unpaid dividend accounts		176.39		153.94
Other bank balances *		9.16		30.10
Fixed deposits pledged with excise authorities				
Original maturity period up to 12 months		5.17		0.16
		295.40		**235.22**

* Balances in subsidy accounts and escrow accounts for cane payment

Note No. : 15 - Other current assets *(Unsecured, considered good unless stated otherwise)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Advances other than capital advances				
Other advances				
Advances to suppliers and others	1557.20		942.06	
Income tax refundable	85.82		-	
GST, VAT and other taxes / duties	633.65	2276.67	703.66	1645.72
Others				
Prepaid expenses	1005.40		1540.89	
Miscellaneous	25.41	1030.81	25.37	1566.26
		3307.48		**3211.98**

Note No. : 16 - Share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
(a) Authorised				
Equity shares of ₹ 1/- each	400000000	4000.00	400000000	4000.00
Preference shares of ₹ 100/- each	2500000	2500.00	2500000	2500.00
		6500.00		**6500.00**
(b) Issued, subscribed and fully paid up				
Equity shares of ₹ 1/- each	204040000	2040.40	210000000	2100.00
		2040.40		**2100.00**

Issue of 16910 (Previous year: 16910) equity shares on Right basis has been kept in abeyance in view of pending disputes.

Note No. : 16 - Share capital *(contd...)*

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	210000000	2100.00	220000000	2200.00
Less: Buy-back of shares [Refer Note No. 36(4)]	5960000	59.60	10000000	100.00
At the end of the year	**204040000**	**2040.40**	**210000000**	**2100.00**

(d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shareholders holding more than 5% of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr. Vivek Saraogi	41158544	20.17	34339303	16.35
Ms. Sumedha Saraogi	22043079	10.80	22043079	10.50
Nippon Life India Trustee Ltd. A/c Nippon India (under various funds)	9541604	4.68	10607029	5.05

(f) Details of shares held by promoters:

As at 31st March, 2022

Sl. No.	Name of the promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Mr. Vivek Saraogi	34339303	6819241	41158544	20.17	3.82
2	Ms. Sumedha Saraogi	22043079	-	22043079	10.80	0.30
3	Ms. Stuti Dhanuka	4284531	-	4284531	2.10	0.06
4	Ms. Avantika Saraogi	3187007	-	3187007	1.57	0.06
5	Kamal Nayan Saraogi (HUF)	6819241	(6819241)	-	-	(3.25)
6	Vivek Saraogi (HUF)	147482	-	147482	0.07	-
7	Novel Suppliers Pvt. Ltd.	3551444	-	3551444	1.74	0.05
8	Udaipur Cotton Mills Co. Ltd.	5689433	-	5689433	2.79	0.08
9	Meenakshi Mercantiles Ltd.	6484233	-	6484233	3.18	0.09
	Total	**86545753**	**-**	**86545753**	**42.42**	**1.21**

Footnotes:

(i) During the year ended 31st March, 2022 the shares held by Kamal Nayan Saraogi (HUF) transferred to Mr. Vivek Saraogi owing to dissolution of Kamal Nayan Saraogi (HUF).

(ii) Apart from the aforesaid, the percentage of shareholding changed due to the extinguishment of the equity shares bought back pursuant to the buy-back approved at the meeting of the Board held on 9th August, 2021.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 16 - Share capital *(contd...)*

As at 31st March, 2021

Sl. No.	Name of the promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Mr. Vivek Saraogi	35869184	(1529881)	34339303	16.35	0.05
2	Ms. Sumedha Saraogi	23027099	(984020)	22043079	10.50	0.03
3	Ms. Stuti Dhanuka	4485675	(201144)	4284531	2.04	-
4	Ms. Avantika Saraogi	3339429	(152422)	3187007	1.51	-
5	Kamal Nayan Saraogi (HUF)	7121964	(302723)	6819241	3.25	0.01
6	Vivek Saraogi (HUF)	154029	(6547)	147482	0.07	-
7	Novel Suppliers Pvt. Ltd.	3709101	(157657)	3551444	1.69	-
8	Udaipur Cotton Mills Co. Ltd.	5942001	(252568)	5689433	2.71	0.01
9	Meenakshi Mercantiles Ltd.	6772084	(287851)	6484233	3.09	0.01
	Total	**90420566**	**(3874813)**	**86545753**	**41.21**	**0.11**

Footnote:

The change in the shareholding is owing to participation of the promoters in the buy-back of equity shares of the Company.

(g) The aggregate number of equity shares bought back in immediately preceding last five years ended 31st March, 2022 - 30998327 equity shares (previous period of five years ended 31st March, 2021 - 35038327 equity shares).

Note No. : 17 - Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
A. Reserves and surplus				
(a) Capital reserve				
Balance as per last account	3184.58		3184.58	
Less: Consolidation adjustment				
Transfer to retained earnings	2741.52		-	
Less: Deferred tax adjustment	632.52		-	
	2109.00	1075.58	-	3184.58
(b) Securities premium				
Balance as per last account	-		9819.98	
Less : Utilised on buy - back of equity shares	-		9719.98	
Less: Transfer to capital redemption reserve on buy- back of equity shares	-	-	100.00	-
(c) Capital redemption reserve				
Balance as per last account	3004.48		2904.48	
Add: Transfer from securities premium	-		100.00	
Add: Transfer from retained earnings [Refer Note No. 36(4)]	59.60	3064.08	-	3004.48
(d) Storage fund for molasses				
Balance as per last account	36.09		87.19	
Add: Created during the year	53.20		55.73	
Less: Written back during the year	-	89.29	106.83	36.09
(e) General reserve				
Balance as per last account	150000.00		110000.00	
Add: Transfer from retained earnings	20000.00	170000.00	40000.00	150000.00

Note No. : 17 - Other equity *(contd...)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
(f) Retained earnings				
Balance as per last account	103589.63		113373.24	
Add: Profit for the year	46463.55		47979.00	
Add: Transfer from other comprehensive income	(367.02)		(55.62)	
Add: Transfer from capital reserve	2741.52		-	
Less: Transfer to capital redemption reserve	59.60		-	
Less: Transfer to general reserve	20000.00		40000.00	
Less : Utilised on buy-back of equity shares [Refer Note No. 36(4)]	21464.28		8180.02	
Less: Tax on buy-back of equity shares [Refer Note No. 36(4)]	4986.76		4193.28	
Less: Buy-back expenses [net of tax ₹ 61.26 Lakhs (Previous year: ₹ 44.95 Lakhs)] [Refer Note No. 36(4)]	114.04		83.69	
	105803.00		108839.63	
Less: Interim dividend paid during the year [Refer Note No. 36(18)(b)]	5101.00	100702.00	5250.00	103589.63
(A)		**274930.95**		**259814.78**
B. Other comprehensive income				
Balance as per last account	-		-	
Add: Other comprehensive income for the year	(367.02)		(55.62)	
Less: Transfer to retained earnings	(367.02)	-	(55.62)	-
(B)		**-**		**-**
C = (A + B)		**274930.95**		**259814.78**

Footnotes:

i) Capital reserve comprise of reserve arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant scheme sanctioned by the Court.

ii) Capital redemption reserve is created consequent to redemption of preference shares and buy-back of equity shares. This reserve shall be utilised in accordance with the provisions of the Act.

iii) Securities premium represented the amount received in excess of face value of shares on issue and was utilised in accordance with the provisions of the Act.

iv) The general reserve represents profits transferred out of retained earnings of the Company from time to time and it also include amount aggregating to ₹ 4224.23 Lakhs (Previous year: ₹ 4224.23 Lakhs) arisen consequent to business combinations entered by the Company in earlier years, in accordance with then applicable accounting standard and in terms of the relevant scheme sanctioned by the Court. It is not earmarked for any specific purpose.

v) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974. During the year ended 31st March, 2021, ₹ 106.83 Lakhs was utilised from the fund and credited to the Statement of Profit and Loss. The said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹ 104.68 Lakhs (Previous year: ₹ 51.02 Lakhs) [Refer Note No. 14].

vi) Retained earnings represents the undistributed profit / amount of accumulated earnings of the Company.

vii) Other Comprehensive Income (OCI) represents the balance in equity relating to re-measurement gain/(loss) of defined benefit obligation.

Note No. : 18 - Borrowings (carried at amortised cost)

(i) Non-current (₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Term loans				
From banks				
Secured				
Rupee loans:				
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh) [Refer Footnote (a)(i) below]		8409.37		14960.84
ICICI Bank Ltd. (ICICI) [Refer Footnote (a)(ii) below]		2500.00		3750.00
HDFC Bank Ltd. (HDFC) [Refer Footnote (a)(iii) below]		3510.50		5516.50
		14419.87		**24227.34**

a) **Nature of securities for the aforesaid borrowings including current maturities of long term debt [Refer Note No. 18(ii)] and deferred income [Refer Note No. 21]:**

i) Rupee Term Loan from ICICI (Acting as an agent on behalf of Government of Uttar Pradesh) amounting to ₹ 16428.65 Lakhs (Previous year: ₹ 23730.27 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Undertakings, 2018, of Uttar Pradesh Government is secured by pari passu first charge, by way of hypothecation of movable fixed assets (PPE), both present and future, pertaining to seven cogeneration units of the Company viz. Balrampur, Babhnan, Haidergarh, Akbarpur, Mankapur, Kumbhi and Gularia.

ii) Rupee Term Loan from ICICI amounting to ₹ 3750.00 Lakhs (Previous year: ₹ 5000.00 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Gularia distillery unit of the Company.

iii) Rupee Term Loan from HDFC amounting to ₹ 5516.50 Lakhs (Previous year: ₹ 7522.50 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Gularia distillery unit of the Company.

Notes forming part of the consolidated financial statements
for the year ended 31st March, 2022

Note No. : 18 - Borrowings (carried at amortised cost) *(contd...)*

b) Terms of Repayment:

	Lender of loan	Rate of interest (ROI) (%)	Amount outstanding as at 31st March, 2022		Amount outstanding as at 31st March, 2021		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2022	Number of installments outstanding as at 31st March, 2022	Amount of each installment (₹ in Lakhs)	Details of security offered
			Current (₹ in Lakhs)	Non-current (₹ in Lakhs)	Current (₹ in Lakhs)	Non-current (₹ in Lakhs)				
1	**ICICI Bank Ltd.** (Acting as an agent on behalf of Government of Uttar Pradesh)	* 5.00% p.a. (Fixed)	7301.62	8409.37 ^	7301.62	14960.84	2 years 3 months and 3 days	27 (payable monthly)	608.47	Refer Note No. 18 (i) (a) (i) above
		Sub - Total	**7301.62**	**8409.37**	**7301.62**	**14960.84**				
2	**ICICI Bank Ltd.**	ICICI one year MCLR (Previous year: ICICI one year MCLR)	1250.00	2500.00	1250.00	3750.00	2 years 8 months and 30 days	3 (payable annually)	1250.00	Refer Note No. 18 (i) (a)(ii) above
		Sub - Total	**1250.00**	**2500.00**	**1250.00**	**3750.00**				
3	**HDFC Bank Ltd.**	HDFC one year MCLR (Previous year: HDFC one year MCLR)	2006.00	3510.50	2006.00	5516.50	2 years 8 months and 30 days	11 (payable quarterly)	501.50	Refer Note No. 18 (i) (a) (iii) above
		Sub - Total	**2006.00**	**3510.50**	**2006.00**	**5516.50**				
		Grand Total	**10557.62**	**14419.87**	**10557.62**	**24227.34**				

* Rate of interest has been fixed by the Government of Uttar Pradesh @5.00% for entire tenure of the loan under the Scheme for Extending Financial Assistance to Sugar Undertaking - 2018, of Uttar Pradesh Government

^ Excluding ₹ 717.66 Lakhs (Previous year: ₹ 1467.81 Lakhs) on account of effective interest rate adjustment being taken to Deferred income.

Note No. : 18 - Borrowings (carried at amortised cost) *(contd...)*

(ii) Current (₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Loans repayable on demand				
Working capital loans				
From banks				
Secured				
Rupee loans				
State Bank of India (SBI)	60903.91		48875.02	
HDFC Bank Ltd. (HDFC)	35081.50		31262.68	
Kotak Mahindra Bank Ltd. (KOTAK)	-	95985.41	8998.57	89136.27
Current maturities of long - term debt *				
Term loans				
From banks				
Secured				
Rupee loans:				
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh)	7301.62		7301.62	
ICICI Bank Ltd. (ICICI)	1250.00		1250.00	
HDFC Bank Ltd. (HDFC)	2006.00	10557.62	2006.00	10557.62
		106543.03		**99693.89**

* Refer Note No. 18(i) (a) and (b) for nature of securities and terms of repayment respectively.

Nature of securities :

a) Working capital loans from banks (viz: SBI, HDFC, KOTAK and ICICI) are secured by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with each of them.

b) Working capital loan from SBI was additionally secured by way of exclusive hypothecation of entire current assets of all the cogeneration units of the Company. The said charge has been released as per sanction letter issued during the year.

Note No. : 19 - Lease liabilities *(Unsecured)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Opening balance		116.81		240.38
Addition to lease liabilities during the year		-		140.80
Finance cost accrued during the year		8.17		9.28
Derecognised during the year		-		240.38
Payment of lease liabilities during the year		16.63		33.27
Closing balance		**108.35**		**116.81**
Current		16.63		16.63
Non - current		91.72		100.18

Footnote:

Further, to above, the Company has certain lease arrangement on short term basis or low value items, expenditure on which has been recognised under line item "Rent" under Other expenses.

Note No. : 20 - Other financial liabilities *(carried at amortised cost)*

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Interest accrued but not due on borrowings		377.90		326.06
Unpaid dividend @		176.39		153.94
Other payables				
Retention monies	1884.09		1140.94	
Security deposits	776.97		264.55	
Accrued expenses	196.17		179.91	
Accrued salaries and other payroll dues	4016.71		3352.19	
Others	113.98	6987.92	99.90	5037.49
		7542.21		**5517.49**

@ There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at balance sheet date.

Note No. : 21 - Deferred income

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Opening balance		1467.81		2450.40
Less: Transferred to the Consolidated Statement of Profit and Loss		750.15		982.59
Closing balance		**717.66**		**1467.81**
Current		495.14		750.15
Non - current		222.52		717.66

[Refer Note No. 36(8) for other disclosures]

Note No. : 22 - Provisions

(i) Non-current

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Provision for employee benefits - unavailed leave [Refer Note No. 36(9)]		957.44		820.85
		957.44		**820.85**

(ii) Current

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Provision for employee benefits [Refer Note No. 36(9)]				
Unavailed leave	554.64		493.59	
Gratuity	118.83	673.47	41.67	535.26
Other provisions				
Provision for contingencies [Refer Note No. 36(2)]		0.42		0.42
		673.89		**535.68**

Note No. : 23 - Deferred tax liabilities (net)

As at 31st March, 2022 (₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment and Intangible assets	22825.67	(853.93)	-	-	21971.74
Investments	1672.21	(687.37)	(632.52)	(1.45)	350.87
	24497.88	**(1541.30)**	**(632.52)**	**(1.45)**	**22322.61**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses/unabsorbed depreciation	68.07	(68.07)	-	-	-
Expenses allowable on payment basis	221.85	754.17	-	-	976.02
MAT credit entitlement	17807.52	(4169.76)	61.26	97.17	13796.19
	18097.44	**(3483.66)**	**61.26**	**97.17**	**14772.21**
Net deferred tax liabilities / expense	**6400.44**	**1942.36**	**(693.78)**	**(98.62)**	**7550.40**

As at 31st March, 2021 (₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment and Intangible assets	21810.90	1014.77	-	-	22825.67
Investments	1404.99	267.20	-	0.02	1672.21
	23215.89	**1281.97**	**-**	**0.02**	**24497.88**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses/unabsorbed depreciation	39.40	28.67	-	-	68.07
Expenses allowable on payment basis	173.14	48.71	-	-	221.85
MAT credit entitlement	19222.09	(1474.48)	44.95	14.96	17807.52
	19434.63	**(1397.10)**	**44.95**	**14.96**	**18097.44**
Net deferred tax liabilities / expense	**3781.26**	**2679.07**	**(44.95)**	**(14.94)**	**6400.44**

The ultimate realisation of deferred tax assets, carried forward tax losses / unabsorbed depreciation and unused tax credits is dependent upon the generation of future taxable income. Deferred tax assets including MAT credit entitlement is recognised on management's assessment of reasonable certainty for reversal/utilisation thereof against future taxable income.

Based on the assessment of the possible impact of the new tax regime, the Company has decided to continue with existing normal tax structure till certain deductions are available and accumulated Minimum Alternate Tax (MAT) credit is substantially exhausted and thereafter, to opt for the concessional rate under new tax regime.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 24 - Trade and other payables

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Trade payables				
Total outstanding dues of micro enterprises and small enterprises		205.18		128.75
Total outstanding dues of creditors other than micro enterprises and small enterprises		27579.37		59174.93
		27784.55		**59303.68**
Other payables				
Payable to suppliers of capital goods				
Total outstanding dues of micro enterprises and small enterprises		406.92		26.46
Total outstanding dues of creditors other than micro enterprises and small enterprises		2637.03		314.48
		3043.95		**340.94**
		30828.50		**59644.62**

Trade payables ageing schedule

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	75.99	129.19	-	-	-	205.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	784.33	26634.67	75.93	50.71	33.73	27579.37
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**860.32**	**26763.86**	**75.93**	**50.71**	**33.73**	**27784.55**

Note No. : 24 - Trade and other payables *(contd...)*

As at the end of 31st March, 2021

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	76.92	51.83	-	-	-	128.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	982.81	57972.84	94.58	55.41	69.29	59174.93
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**1059.73**	**58024.67**	**94.58**	**55.41**	**69.29**	**59303.68**

Other information

Details related to information required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been given in Note No. 36(5).

Note No. : 25 - Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
Other advances				
Advances from customers		433.48		295.06
Others				
Statutory liabilities	1687.17		1909.32	
Others *	759.55	2446.72	849.12	2758.44
		2880.20		**3053.50**

* Includes interest accrued relating to micro enterprises and small enterprises [Refer Note No. 36(5)]

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 26 - Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Sale of goods				
Domestic sales				
Sugar	356255.26		362522.05	
Industrial alcohol	97462.00		81999.38	
Power	11540.78		13523.73	
Bagasse	7828.93		5585.46	
Others	4239.51	477326.48	3620.38	467251.00
Other operating revenue				
Government grants [Refer Note No. 36(8)]				
Insurance and storage charges on buffer stock	-		216.25	
Export incentive and assistance	7276.20	7276.20	13698.45	13914.70
		484602.68		**481165.70**

Footnotes:

(i) Details relating to performance obligation in terms of Ind AS 115 - Revenue from contracts with customers has been given in Note No. 36(11).

(ii) Disaggregated revenue information have been given along with segment information in Note No. 36(12)(d).

Note No. : 27 - Other income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Interest income on financial assets carried at amortised cost				
Non-current investments				
Debentures	-		19.46	
Deposit with banks and others	38.42	38.42	14.73	34.19
Gain on sale of highly liquid investments (treated as cash equivalent)		758.94		630.42
Gain on buy-back of equity shares of an associate		-		101.31
Gain on deemed disposal of investment in an associate [Refer Note No. 36(15)]		2.42		-
Other non-operating income				
Insurance claims	509.04		419.80	
Liabilities no longer required written back	274.62		321.22	
Profit on sale/discard of property, plant and equipment (net)	-		83.57	
Recovery towards written off balances	0.02		0.07	
Provision for doubtful advances written back	-		1.02	
Allowance for impaired receivables written back	97.63		-	
Less: Bad debts written off	35.27		-	
	62.36		-	
Storage fund for molasses written back [Refer Note No. 17 (v)]	-		106.83	
Miscellaneous	1655.73	2501.77	993.67	1926.18
		3301.55		**2692.10**

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 28 - Cost of materials consumed

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Sugarcane		325296.62		351537.66
Others *		876.40		(351.52)
		326173.02		**351186.14**

* Includes differential impact of opening and closing inventories of raw materials

Note No. : 29 - Changes in inventories of finished goods, by-products and work-in-progress

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Finished goods				
Opening stock				
Sugar	201416.00		198648.63	
Industrial alcohol	5464.42		3716.67	
Banked power	163.23		168.78	
Others	61.18	207104.83	73.00	202607.08
Less : Closing stock				
Sugar	179478.98		201416.00	
Industrial alcohol	1554.86		5464.42	
Banked power	246.11		163.23	
Others	46.16	181326.11	61.18	207104.83
Less: Power used during the trial run of capital projects		6.07		-
Decrease/(Increase) (A)		**25772.65**		**(4497.75)**
By-products				
Opening stock		12452.04		9759.90
Less : Closing stock		17659.00		12452.04
Less: Bagasse used during the trial run of capital projects		16.72		-
(Increase) (B)		**(5223.68)**		**(2692.14)**
Work- in-progress				
Opening stock				
Sugar	1770.53		3319.55	
By-product	284.82	2055.35	342.54	3662.09
Less : Closing stock				
Sugar	2791.64		1770.53	
By-product	371.08	3162.72	284.82	2055.35
(Increase)/Decrease (C)		**(1107.37)**		**1606.74**
Decrease/(Increase) D = (A + B + C)		**19441.60**		**(5583.15)**

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 30 - Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Salaries and wages		27288.32		25065.66
Contribution to provident, gratuity and other funds		3130.00		2850.53
Staff welfare expense		367.72		260.14
		30786.04		28176.33
Less: Recovery towards deputation of an employee [Refer Note No. 36(10)]		5.60		11.34
		30780.44		**28164.99**

Note No. : 31 - Finance costs

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Interest				
On long term borrowings [Refer Note No. 36(8)]	1407.58		1906.20	
On short term borrowings [Refer Note No. 36(8)]	1595.84		1949.39	
Others *	13.46	3016.88	34.46	3890.05
Other borrowing costs		70.01		39.54
		3086.89		**3929.59**
* Includes interest on lease liabilities		8.17		9.28
* Includes interest on statutory dues		0.08		0.81
* Includes interest on shortfall in payment of advance income-tax		-		17.17

Note No. : 32 - Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Depreciation of property, plant and equipment * [Refer Note No. 4]		11347.04		11149.48
Amortisation of intangible assets [Refer Note No. 5]		39.45		38.16
		11386.49		**11187.64**

* includes depreciation of right-of-use assets

Notes forming part of the consolidated financial statements
for the year ended 31st March, 2022

Note No. : 33 - Other expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Consumption of stores				
Process chemicals	4196.54		3656.00	
Others	269.35	4465.89	263.78	3919.78
Packing materials		3875.19		3886.64
Power and fuel		268.89		235.98
Rent		114.15		70.09
Repairs				
Buildings	792.22		711.39	
Machinery	6849.33		6994.33	
Others	230.32	7871.87	218.75	7924.47
Insurance		1227.11		1080.43
Rates and taxes (excluding taxes on income)		641.12		569.16
Commission to non-executive directors		110.00		96.80
Directors' fees		31.20		25.40
Payments to auditors				
For statutory audit	52.50		52.50	
For other services (Limited reviews and certifications)	20.25		21.00	
For reimbursement of expenses	0.30	73.05	1.90	75.40
Cost audit fees		4.00		4.00
Professional expenses #		4151.41		5423.86
Freight and handling expenses		6818.03		5646.68
Brokerage and commission		526.63		568.12
Charity and donation		10.81		55.51
Corporate social responsibility expense [Refer Note No. 36(6)]		1119.67		1067.55
Miscellaneous expenses *		6099.98		5234.89
Loss on sale/discard of property, plant and equipment (net)		744.75		-
Sundry debit balances/advances written off		14.70		36.33
Payment towards balances earlier written back		4.53		0.91
Transfer to storage fund for molasses		53.20		55.73
Obsolete stores and spares written off	1.05		137.59	
Less: Provision for obsolescence /non- moving stores and spares written back	-	1.05	100.92	36.67
Provision for obsolescence /non-moving stores and spares		10.58		-
		38237.81		**36014.40**
# Includes expenses incurred towards export under MAEQ		3562.41		4930.55
* Includes contribution in electoral bonds		200.00		-

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 34 - Tax expense

(₹ in Lakhs)

Particulars		Year ended 31st March, 2022		Year ended 31st March, 2021	
Current tax			11448.97		10259.89
Tax provision for earlier years			16.82		-
Deferred tax [Refer Note No. 23]			1942.36		2679.07
			13408.15		**12938.96**
Reconciliation of Tax Expense					
Profit before tax			59871.70		60917.96
Applicable tax rate (using the Company's tax rate)			34.944%		34.944%
Computed tax expense	**(A)**		**22909.74**		**21287.17**
Adjustments for:					
Income exempt for tax purpose			-		(35.40)
Expenses not allowed for tax purpose			195.78		176.12
Effect of tax deductions			(6461.84)		(6988.80)
Changes in recognised deductible temporary differences			(1362.45)		60.56
Effect of transition adjustment under MAT			-		(24.53)
Additional allowance for tax deductions			(142.08)		-
Effect of lower tax rate on capital gains			(553.66)		-
MAT credit entitlement			(506.79)		(1156.62)
Tax provision for earlier years			16.82		-
Share of profit in associates			(687.37)		(379.54)
Net adjustments	**(B)**		**(9501.59)**		**(8348.21)**
Tax Expense	**C=(A+B)**		**13408.15**		**12938.96**

Note No. : 35 - Other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022		Year ended 31st March, 2021	
Items that will not be reclassified to profit or loss				
Re-measurement of defined benefit plan	(556.12)		(85.63)	
Share of Other Comprehensive Income in an associate, to the extent not to be classified into profit or loss	(6.68)	(562.80)	0.11	(85.52)
Less: Income tax relating to items that will not be reclassified to profit or loss		195.78		29.90
		(367.02)		**(55.62)**

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities :

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
(i)	Claims against the Company not acknowledged as debts :		
	- Sales tax and entry tax (including interest and other claims) - under appeal/ litigation	92.69	92.69
	- Others - under appeal/litigation	151.48	151.48
		244.17	**244.17**
(ii)	Claims for acquisition of 1.99 acres of land for the distillery unit at Balrampur and compensation there against is under dispute as the matter is subjudice	Amount not ascertainable	Amount not ascertainable

Footnotes:

- The amounts shown in (i) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

  In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals/litigations.

- Also refer Note No. 36(3) (b) for availment of remission of taxes and levies pending final decision at the Hon'ble Supreme Court on the matter.

(b) Uttar Pradesh Excise Authorities have imposed payment of ₹ 20/- per quintal on molasses transferred, sold, or supplied for captive consumption with effect from 24th December 2021 as "Regulatory Fee" under amended Section 8(4) of Uttar Pradesh Sheera Niyantran Adhiniyam, 1964.

The Uttar Pradesh Sugar Mills Association and Others have filed a writ petition against the aforesaid levy before Lucknow Bench of Hon'ble Allahabad High Court. The said Court vide its Interim Order dated 25th February 2022, have deferred the realisation thereof pending final decision on the matter.

Upto 31st March 2022, the Company has deposited ₹ 449.44 Lakhs (Previous year: ₹ Nil) "under protest" till the matter is finally decided by the Hon'ble High Court, which has been clubbed and shown with "Duties and taxes paid under protest" under Note No. 10 Other non-current assets.

(c) Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for (₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	50019.88	1901.37
(ii)	Advance paid against above	8295.99	565.36

2. Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent liabilities and Contingent assets :

(a) Provision for contingencies

(i) Provisions for contingencies represent provision towards various claims made/anticipated in respect of litigation claims against the Company based on the Management's assessment.

Note No. : 36 - Other disclosures *(contd...)*

(ii) **Movement in Provision for contingencies:** (₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
As per last account	0.42	0.42
	0.42	**0.42**
- Current	0.42	0.42
- Non-current	-	-

It is not possible to estimate the timing/uncertainties relating to utilisation /reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals. The Company does not expect any reimbursement in respect of above provisions.

(b) Contingent assets

During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances. Also Refer Note No. 36(3) in this respect.

3. a) The Hon'ble High Court at Allahabad, Lucknow Bench, vide its order dated 12th February, 2019 ("Order") had quashed the G.O. dated 4th June, 2007, vide which the Sugar Industry Promotion Policy 2004 ("SIPP") was withdrawn, and held that the petitioner companies were entitled to all the benefits for the entire period of the validity of SIPP. Consequent to this, the Company in respect of its capital projects and expansions during the period from 2004 to 2008 is entitled to the capital subsidy, reimbursement of certain expenses, remission of certain taxes and levies under the provision of the said policy.

The State Government of Uttar Pradesh and others have filed Special Leave Petitions challenging the said Order before the Hon'ble Supreme Court of India and the cases are pending for hearing as on 31st March, 2022. Pending this, the Company's claim for reimbursement of ₹ 33654.94 Lakhs (Previous year: ₹ 33654.94 Lakhs) and capital subsidy of ₹ 13137.77 Lakhs (Previous year: ₹ 13137.77 Lakhs) pursuant to SIPP being contingent in nature, has not been recognised.

(b) In terms of SIPP, the Company availed remission of taxes and levies, namely, Entry Tax on Sugar, Trade Tax on Molasses and Cane Purchase Tax, Stamp duty and registration charges on purchase of land aggregating to ₹ 11278.45 Lakhs in earlier years. These remissions were availed pursuant to protection earlier provided by the Hon'ble High Court at Allahabad, which has been confirmed pursuant to the Order of the said court as given in Note No. 36(3)(a) above.

In the assessment of Entry Tax on Sugar and Trade Tax on Molasses relating to four sugar units, namely, Akbarpur, Mankapur, Kumbhi and Gularia aggregating to ₹ 6300.63 Lakhs has been assessed, though these units are also eligible for the remission under the SIPP. However, no demand has been raised and pursued against the Company in view of the protection by the Hon'ble High Court as aforesaid. Since these units are eligible for incentive under SIPP and no demand has yet been raised against the Company, the aforesaid amount of ₹ 6300.63 Lakhs has not been considered as contingent liability.

(c) Uttar Pradesh Electricity Regulatory Commission vide notification dated 25th July, 2019 reduced the power purchase rates of bagasse-based power plants w.e.f. 1st April, 2019 and revenue in this respect has accordingly been recognised at such reduced rates. The Uttar Pradesh Cogen Association has filed a writ petition, challenging the reduction in power rates before Hon'ble High Court at Allahabad which has been admitted. Hearing for the same is scheduled for 26th May 2022.

4. The Board of Directors at its meeting held on 9th August 2021 had approved the buy-back of equity shares, amounting to ₹ 21525.00 Lakhs (Maximum Buy-back Size, excluding transaction costs and taxes thereon) at a price not exceeding ₹ 410/- per equity share (Maximum Buy-back Price).

At the Maximum Buy-back Price and the Maximum Buy-back Size, the indicative maximum number of equity shares to be bought back was 5250000 equity shares (Maximum Buy-back Shares), representing approximately 2.50% of the paid-up share capital of the Company. The buy-back was offered to all eligible equity shareholders of the Company (other than the Promoters, the Promoter

Note No. : 36 - Other disclosures *(contd...)*

Group and Persons in Control of the Company) under the open market route through the stock exchanges. The buy-back of equity shares commenced on 17th August 2021 and was completed on 21st October 2021; formalities for extinguishment of the equity shares so bought back were completed on 26th October 2021.

The Company purchased and extinguished a total of 5960000 equity shares at a volume weighted average price of ₹ 361.14 per equity share aggregating to ₹ 21523.88 Lakhs (excluding transaction costs and tax on buy-back) comprising of approximately 2.84% of the pre buy-back paid up equity share capital of the Company.

Consequent to the said buy-back, the equity share capital has been reduced by ₹ 59.60 Lakhs and an amount equivalent to the face value of equity shares bought back has been transferred from Retained earnings to Capital redemption reserve and differential amount of ₹ 21464.28 Lakhs with respect to aggregate consideration in excess of face value of the equity shares bought back has also been adjusted from Retained earnings. Further, various costs aggregating to ₹ 114.04 Lakhs (net of tax of ₹ 61.26 Lakhs) incurred for the same and the taxation on buy-back amounting to ₹ 4986.76 Lakhs have also been adjusted from Retained earnings.

5. Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

As at 31st March, 2022: (₹ in Lakhs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	205.18	406.92	612.10
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	2.01	-	2.01
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	0.85	0.11	0.96
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year #	0.85	0.11	0.96
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24.

Included in the line item "Others" under Note No. 25.

Note No. : 36 - Other disclosures *(contd...)*

As at 31st March, 2021:

(₹ in Lakhs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	128.75	26.46	155.21
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	0.48	-	0.48
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	4.97	0.03	5.00
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.53	-	1.53
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year #	2.01	-	2.01
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24.

Included in the line item "Others" under Note No. 25.

6. Expenditure on Corporate Social Responsibility (CSR) activities :

(a) Details of CSR expenditure:

(₹ in Lakhs)

Sl. No.	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(i)	Gross amount required to be spent by the Company during the year	1135.76	965.94
(ii)	Amount spent during the year * :		
	a) Construction/acquisition of any asset		
	- in cash	43.97	36.89
	- yet to be paid in cash	-	-
	b) On purposes other than (a) above		
	- in cash	1075.70	1030.66
	- yet to be paid in cash	-	-
(iii)	Previous year excess spent adjusted with current year requirement to be spent	16.09	-
(iv)	Unspent amount during the year	-	-
(v)	Reason for shortfall	Not applicable	Not applicable

* The Company spent ₹ 1119.67 Lakhs (Previous year: ₹ 1067.55 Lakhs) towards its CSR obligations.

(b) Nature of CSR activities

The CSR activities of the Company are focused on sustainable livelihood, education including skill development for women empowerment; healthcare, sanitation and safe drinking water; rural development; environment sustainability and disaster management.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures *(contd...)*

6. Expenditure on Corporate Social Responsibility (CSR) activities *(contd...)*

(c) Details of excess amount spent

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening balance	**101.61**	**-**
Amount required to be spent during the year	1135.76	965.94
Amount spent during the year	1119.67	1067.55
Closing balance	**85.52**	**101.61**
- To be carried forward for next year	85.52	101.61
- Not to be carried forward for next year	-	-

7. Earnings per share - The numerators and denominators used to calculate Basic and Diluted earnings per share

Sl. No.	Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
(i)	Amount used as the numerator			
	Profit after tax (₹ in Lakhs)	(A)	46463.55	47979.00
(ii)	Weighted average number of equity shares outstanding used as the denominator for computing Basic and Diluted earnings per share *	(B)	207022892	213452055
(iii)	Face value of equity shares (₹)		1.00	1.00
(iv)	Basic and Diluted earnings per share (₹)	(A/B)	22.44	22.48

* The Company does not have any dilutive potential equity shares.

8. The Company is eligible to receive various financial assistance from government authorities. Accordingly, the Company has recognised these government grants in the following manner:

(₹ in Lakhs)

Sl. No.	Particulars	Treatment in accounts	Year ended 31st March, 2022	Year ended 31st March, 2021
	Grants related to Income			
(a)	**Revenue related Government Grants:**			
(i)	Towards marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar (Refer footnote (i) and (ii) below)	Included under "Export incentive and assistance" under Revenue from operations	7276.20	13677.20
(ii)	Financial support for maintaining buffer stock of sugar inventory (Refer footnote (iii) below)	(i) Stated as "Insurance and storage charges on buffer stock" under Revenue from operations	-	216.25
		(ii) Deducted from interest expense on short term borrowings	-	1262.17
(iii)	Interest on term loans (Refer footnote (iv) below)	Deducted from interest expense on long term borrowings	416.37	540.27
(iv)	Duty drawback against export of sugar	Included under "Export incentive and assistance" under Revenue from operations	-	21.25

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures *(contd...)*

(₹ in Lakhs)

Sl. No.	Particulars	Treatment in accounts	Year ended 31st March, 2022	Year ended 31st March, 2021
(v)	Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme (Refer footnote (v) below)	Deducted from "Contribution to provident, gratuity and other funds" under Employee benefits expense	0.32	5.39
			7692.89	**15722.53**
(b)	**Amortisation of Government Grants:**			
	Government grant relating to interest on term loans (Refer footnote (vi) below)	Deducted from interest expense on long term borrowings	750.15	982.59
			750.15	**982.59**
			8443.04	**16705.12**

Footnotes:

(i) The Company had physically moved for export through merchant exporter 53763 MT of raw/ white sugar during the year ended 31st March, 2021 against allocated Maximum Admissible Export Quantity (MAEQ) to it for the sugar season 2019-20 and the financial assistance @ ₹ 10448.00 per MT amounting to ₹ 5617.16 Lakhs has been clubbed with "Export incentive and assistance" under Revenue from operations.

(ii) The total export entitlement utilised and physical export done through merchant exporter by the Company during the year ended 31st March, 2022 aggregated to 121270 MT (Previous year: 134334 MT) against the quota allocated for the sugar season 2020-21. The financial assistance earned against such exports @ ₹ 6000.00 per MT amounting to ₹ 7276.20 Lakhs (Previous year: ₹ 8060.04 Lakhs) has been clubbed with "Export incentive and assistance" under Revenue from Operations.

(iii) During the year ended 31st March 2021, the Company had adjusted ₹ 1262.17 Lakhs against "Interest on short term borrowings" under Finance costs and storage charges of ₹ 216.25 Lakhs was shown under line item "Insurance and storage charges on buffer stock" under Revenue from operations, for creation and maintenance of buffer stock as required by the Central Government.

(iv) Notification No. S.O. 3523 (E) dated 19th July, 2018 was issued by the Central Government for 'extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity' with a view to increase production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programme, and thereby to improve the liquidity position of the sugar mills enabling them to clear cane price arrears of the farmers for which interest subvention @ 6.00% or 50.00% of rate of interest charged by banks (whichever is lower) would be borne by the Central Government for a tenure of 5 years from the date of disbursement of the loan.

Under the said scheme, HDFC Bank and ICICI Bank disbursed rupee loan aggregating to ₹ 8024.00 Lakhs and ₹ 5000.00 Lakhs respectively, during the year ended 31st March, 2020 which was utilised for setting up of 160 KLPD distillery at Gularia unit.

Accordingly, ₹ 416.37 Lakhs and ₹ 540.27 Lakhs has been adjusted with interest on long term borrowings, for the year ended 31st March, 2022 and 31st March, 2021, respectively.

(v) The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme has been designed to incentivise employers for generation of new employment, where Government of India pays the 8.33% Employee Pension Scheme contribution of the employer for the new employment. Accordingly ₹ 0.32 Lakhs and ₹ 5.39 Lakhs have been deducted from "Contribution to provident, gratuity and other funds" under Employee benefits expense, for the year ended 31st March, 2022 and 31st March, 2021 respectively.

(vi) The Government of Uttar Pradesh vide its Order No. - 12/2018/1698 / 46-3-18-3 (36-A) / 2018 dated 28th September, 2018 notified a scheme for assistance to sugar mills under the Scheme for Extending Financial Assistance to Sugar Undertakings - 2018 of Uttar Pradesh Government, for the purpose of clearance of sugarcane price for sugar season 2016-17 and 2017-18 as per the State Advised Price of sugarcane fixed by the State Government.

Note No. : 36 - Other disclosures *(contd...)*

Under the said scheme, during the year ended 31st March 2019, the State Government extended rupee term loan to the Company through ICICI Bank @ 5.00% p.a. interest for a period of 5 years aggregating to ₹ 36508.11 Lakhs which was utilised for clearance of sugarcane price for sugar season 2017-18 as per the scheme.

Pursuant to the requirements of Ind AS 20 – "Accounting for Government Grants and Disclosure of Government Assistance" and Ind AS 109 – "Financial Instruments", ₹ 4051.19 Lakhs was accounted for during the year ended 31st March, 2019 and included under Note No. 21 - "Deferred income".

Accordingly, proportionate income amounting to ₹ 750.15 Lakhs and ₹ 982.59 Lakhs has been adjusted with interest on long term borrowings for the year ended 31st March, 2022 and 31st March, 2021 respectively.

9. Employee Benefits :

As per Ind AS - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined Contribution Plan :

The contributions to defined contribution plan, recognised as expense in the Consolidated Statement of Profit and Loss are as under :

(₹ in Lakhs)

Defined Contribution Plan	Year ended 31st March, 2022	Year ended 31st March, 2021
Contribution to Provident Fund	1459.76	1282.83
Contribution to Pension Scheme	779.30	773.32
Contribution to National Pension Scheme	36.04	-

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of continuance service is entitled to the same. The gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits depends on the member's length of service and salary at the time of cessation of the employment contract with the Company.

The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for its administration. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. Each year, the Board of Trustees reviews the asset-liability matching strategy, investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review.

The Company contributes ascertained liabilities towards gratuity to trust.

Note No. : 36 - Other disclosures *(contd...)*

9. Employee Benefits : *(contd...)*

The following tables summarises the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss, the funded status and amounts recognised in the Consolidated Balance Sheet for the said plan:

(a) Details of funded post retirement plans are as follows : (₹ in Lakhs)

Sl. No.	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
I.	**Expenses recognised in the Consolidated Statement of Profit and Loss:**		
1	Current service cost	748.73	636.54
2	Net interest on the net defined benefit liability/asset	(36.02)	29.50
3	Expense recognised in the Consolidated Statement of Profit and Loss	712.71	666.04
II.	**Consolidated Other comprehensive income**		
1	Actuarial (gain) / loss arising from:		
	- change in financial assumptions	227.24	396.84
	- changes in experience adjustments	325.99	310.39
2	(Returns)/loss on plan assets	2.89	(621.60)
3	Components of defined benefit costs recognised in Consolidated other comprehensive income	556.12	85.63
III.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	8842.17	7437.56
2	Interest expense	558.49	487.63
3	Current service cost	748.73	636.54
4	Benefits paid	499.95	426.79
5	Actuarial (gain) / loss arising from:		
	- changes in financial assumptions	227.24	396.84
	- changes in experience adjustments	325.99	310.39
6	Present value of defined benefit obligation at the end of the year	10202.67	8842.17
IV.	**Change in fair value of plan assets during the year :**		
1	Plan assets at the beginning of the year	8800.50	5853.44
2	Interest income	594.51	458.13
3	Employers' contributions	1191.67	2294.12
4	Benefits paid	499.95	426.79
5	Re-measurement (Returns on plan assets excluding amounts included in interest income)	2.89	(621.60)
6	Fair value of plan assets at the end of the year	10083.84	8800.50
V.	**Net asset / (liability) recognised in the Consolidated Balance Sheet as at the year end:**		
1	Present value of defined benefit obligation	10202.67	8842.17
2	Fair value of plan assets	10083.84	8800.50
3	Funded Status [Surplus/(Deficit)]	(118.83)	(41.67)
4	Net Asset / (Liability) recognised in Consolidated Balance Sheet	(118.83)	(41.67)
	- Current	(118.83)	(41.67)
	- Non-current	-	-

Note No. : 36 - Other disclosures *(contd...)*

9. **Employee Benefits :** *(contd...)*

(a) **Details of funded post retirement plans are as follows :** *(contd.)*

(₹ in Lakhs, unless stated otherwise)

Sl. No.	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
VI.	**Actuarial assumptions :**		
1	Discount rate (per annum) (in %)	7.00%	6.50%
2	Expected return on plan assets (per annum) (in %)	7.00%	6.50%
3	Expected rate of salary increase (in %)	7.00%	6.25%
4	Retirement/superannuation age (in Year)	60	60
5	Mortality rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VII.	**Major category of plan assets as a % of the total plan assets as at the year end :**		
1	Administered by insurance companies (in %)	99.94%	99.95%
2	Others (Cash and cash equivalents) (in %)	0.06%	0.05%
VIII.	**Maturity profile of defined benefit obligation**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	481.97	334.80
	1-5 years	3441.22	2348.22
	5-10 years	7292.86	6734.40
	Total expected payments	**11216.05**	**9417.42**
	The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	9	10
IX.	**Sensitivity analysis on present value of defined benefit obligations:**		
	Discount rates		
	1.00% Increase	(856.44)	(763.88)
	1.00% Decrease	987.56	882.35
	Expected rates of salary increases		
	1.00% Increase	978.03	875.97
	1.00% Decrease	(864.20)	(772.51)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

X. The history of funded post retirement plans are as follows :

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018
Present value of defined benefit obligation	10202.67	8842.17	7437.56	6106.16	4912.87
Fair value of plan assets	10083.84	8800.50	5853.44	5968.75	4912.87

Note No. : 36 - Other disclosures *(contd...)*

9. Employee Benefits : *(contd...)*

(b) Details of unfunded other long term benefit are as follows:

(₹ in Lakhs, unless stated otherwise)

Sl. No.	Particulars	Leave Encashment (Unfunded)	
		Year ended 31st March, 2022	Year ended 31st March, 2021
I.	**Components of employer expense :**		
1	Current service cost	49.60	57.62
2	Interest cost	51.46	43.63
3	Actuarial (gain) /loss recognised in the year	155.86	148.62
4	Expense recognised in the Consolidated Statement of Profit and Loss	256.92	249.87
II.	**Change in present value of obligation :**		
1	Present value of obligation at the beginning of the year	845.87	696.66
2	Interest cost	51.46	43.63
3	Current service cost	49.60	57.62
4	Benefits paid	108.34	100.66
5	Actuarial (gain) /loss recognised in the year	155.86	148.62
6	Present value of obligation at the end of the year	994.45	845.87
III.	**Net asset / (liability) recognised in the Consolidated Balance Sheet as at the year end:**		
1	Present value of defined benefit obligation	994.45	845.87
2	Fair value of plan assets	-	-
3	Funded status [Surplus/(Deficit)]	(994.45)	(845.87)
4	Net asset / (Liability) recognised in Consolidated Balance Sheet *	(994.45)	(845.87)
IV.	**Actuarial assumptions :**		
1	Discount rate (per annum) %	7.00%	6.50%
2	Expected rate of salary increase %	7.00%	6.25%
3	Retirement/Superannuation age (Year)	60	60
4	Mortality rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
V.	**Maturity profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	38.28	25.81
	1-5 years	249.51	162.41
	5-10 years	524.45	471.63
	Total expected payments	**812.24**	**659.85**

* Excludes leave liability towards leave days above the maximum accumulation limit encashable once a year.

(c) Risks related to defined benefit plans:

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

(i) Mortality risk:

The assumptions adopted by the Company is to make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increases the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures *(contd...)*

9. Employee Benefits : *(contd...)*

(ii) Market and liquidity risks:

These are the risks that the investments do not meet the expected returns over the medium to long term. This also encompasses the mismatch between assets and liabilities. In order to minimise the risks, the structure of the portfolios is reviewed and asset-liability matching analysis are performed on a regular basis.

(d) Asset - liability management and funding arrangements

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

(e) Other disclosures :

The Gratuity and contribution to defined contribution plans have been recognised under " Contribution to provident, gratuity and other funds" and Leave encashment clubbed with " Salaries and wages" under Note No. 30 - Employee benefits expense.

10. Related party disclosures :

As per Ind AS - 24 "Related party disclosures", the Related party disclosures are as follows:

(a) Name of the related parties and description of relationship with whom transactions have taken place :-

(i)	**Associate Companies :** (Significant influence can be exercised)	1. Auxilo Finserve Pvt. Ltd. (AFPL)
		2. Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) (ceased to be an associate w.e.f. 15th February, 2022)

(ii)	**Key Management Personnel (KMP):**	1. Mr. Vivek Saraogi - Chairman and Managing Director *
		2. Dr. Arvind Krishna Saxena - Whole-time Director
		3. Mr. Dinesh Kumar Mittal - Independent Director
		4. Mr. Krishnava Dutt - Independent Director
		5. Ms. Veena Hingarh - Independent Director
		6. Ms. Mamta Binani - Independent Director (w.e.f. 5th November, 2020)
		7. Mr. Naresh Dayal - Non-Executive Non-Independent Director
		8. Mr. Sumit Mazumder - Independent Director (Upto 18th February, 2022)
		9. Mr. Shakti Prasad Ghosh - Independent Director (Upto 30th September, 2020)

* Became Chairman and Managing Director w.e.f. 24th May, 2022.

(iii)	**Other related parties:** **a) Close members of family ("Relatives") of KMP :** Mr. Vivek Saraogi	1. Late Kamal Nayan Saraogi - Father (deceased on 15th October, 2020)
		2. Ms. Sumedha Saraogi - Wife
		3. Ms. Avantika Saraogi - Daughter
		4. Ms. Stuti Dhanuka - Sister
	b) Entities over which KMP and/or their relatives have significant influence Mr. Vivek Saraogi	1. Meenakshi Mercantiles Ltd.
		2. Udaipur Cotton Mills Co. Ltd.
		3. Ganna Agro Pvt. Ltd.
		4. Novel Suppliers Pvt. Ltd.
		5. Kamal Nayan Saraogi [HUF] (up to 30th July, 2021)
		6. Vivek Saraogi [HUF]
	Mr. Krishnava Dutt	Argus Partners
	c) Post employment benefit plan	The Balrampur Sugar Company Limited Employees Gratuity Fund

Note No. : 36 - Other disclosures *(contd...)*

10. Related party disclosures : *(contd...)*

(b) Transactions with related parties :

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(i)	**Compensation/Remuneration of KMP**				
	Mr. Vivek Saraogi	-	630.73	-	630.73
		(-)	(636.28)	(-)	(636.28)
	Dr. Arvind Krishna Saxena	-	36.97	-	36.97
		(-)	(32.59)	(-)	(32.59)
(ii)	**Commission to non-executive directors**				
	Mr. Sumit Mazumder	-	22.00	-	22.00
		(-)	(21.00)	(-)	(21.00)
	Mr. Dinesh Kumar Mittal	-	24.00	-	24.00
		(-)	(21.00)	(-)	(21.00)
	Mr. Krishnava Dutt	-	16.00	-	16.00
		(-)	(14.00)	(-)	(14.00)
	Ms. Veena Hingarh	-	16.00	-	16.00
		(-)	(14.00)	(-)	(14.00)
	Ms. Mamta Binani	-	16.00	-	16.00
		(-)	(5.80)	(-)	(5.80)
	Mr. Naresh Dayal	-	16.00	-	16.00
		(-)	(14.00)	(-)	(14.00)
	Mr. Shakti Prasad Ghosh	-	-	-	-
		(-)	(7.00)	(-)	(7.00)
(iii)	**Sitting fees**				
	Mr. Sumit Mazumder	-	3.40	-	3.40
		(-)	(2.60)	(-)	(2.60)
	Mr. Dinesh Kumar Mittal	-	5.20	-	5.20
		(-)	(5.00)	(-)	(5.00)
	Mr. Krishnava Dutt	-	4.80	-	4.80
		(-)	(4.00)	(-)	(4.00)
	Ms. Veena Hingarh	-	4.20	-	4.20
		(-)	(2.60)	(-)	(2.60)
	Ms. Mamta Binani	-	8.00	-	8.00
		(-)	(2.80)	(-)	(2.80)
	Mr. Naresh Dayal	-	5.60	-	5.60
		(-)	(4.80)	(-)	(4.80)
	Mr. Shakti Prasad Ghosh	-	-	-	-
		(-)	(3.60)	(-)	(3.60)

Note No. : 36 - Other disclosures *(contd...)*

10. Related party disclosures : *(contd...)*

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(iv)	**Rendering of services**				
	Ms. Avantika Saraogi	-	-	30.55	30.55
		(-)	(-)	(10.65)	(10.65)
	Argus Partners	-	-	7.06	7.06
		(-)	(-)	(-)	(-)
(v)	**Sale of equity shares of an associate pursuant to buy-back (gross)**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(1019.52)	(-)	(-)	(1019.52)
(vi)	**Redemption of Investment in debentures (at amortised cost)**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(564.58)	(-)	(-)	(564.58)
(vii)	**Interest income (at amortised cost)**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(19.46)	(-)	(-)	(19.46)
(viii)	**Dividend received from an associate (gross)**				
	Visual Percept Solar Projects Pvt. Ltd.	1491.98	-	-	1491.98
		(-)	(-)	(-)	(-)
(ix)	**Recovery towards deputation of an employee**				
	Visual Percept Solar Projects Pvt. Ltd.	5.60	-	-	5.60
		(11.34)	(-)	(-)	(11.34)
(x)	**Rental income**				
	Ganna Agro Pvt. Ltd.	-	-	14.30	14.30
		(-)	(-)	(-)	(-)
(xi)	**Contribution to employees defined benefit plan**				
	The Balrampur Sugar Company Limited Employees Gratuity Fund	-	-	1268.83	1268.83
		(-)	(-)	(751.67)	(751.67)
(xii)	**Interim dividend paid to equity shareholders (gross)**				
	Mr. Vivek Saraogi	-	1028.96	-	1028.96
		(-)	(858.48)	(-)	(858.48)
	Dr. Arvind Krishna Saxena	-	0.38	-	0.38
		(-)	(0.38)	(-)	(0.38)
	Ms. Sumedha Saraogi	-	-	551.08	551.08
		(-)	(-)	(551.08)	(551.08)
	Ms. Avantika Saraogi	-	-	79.68	79.68
		(-)	(-)	(79.68)	(79.68)

Note No. : 36 - Other disclosures *(contd...)*

10. Related party disclosures : *(contd...)*

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
	Ms. Stuti Dhanuka	-	-	107.11	107.11
		(-)	(-)	(107.11)	(107.11)
	Meenakshi Mercantiles Ltd.	-	-	162.11	162.11
		(-)	(-)	(162.11)	(162.11)
	Udaipur Cotton Mills Co. Ltd.	-	-	142.24	142.24
		(-)	(-)	(142.24)	(142.24)
	Novel Suppliers Pvt. Ltd.	-	-	88.79	88.79
		(-)	(-)	(88.79)	(88.79)
	Kamal Nayan Saraogi (HUF)	-	-	-	-
		(-)	(-)	(170.48)	(170.48)
	Vivek Saraogi (HUF)	-	-	3.69	3.69
		(-)	(-)	(3.69)	(3.69)
(xiii)	**Amount paid upon buy-back of equity shares**				
	Mr. Vivek Saraogi	-	-	-	-
		(-)	(2753.79)	(-)	(2753.79)
	Dr. Arvind Krishna Saxena	-	-	-	-
		(-)	(1.21)	(-)	(1.21)
	Ms. Sumedha Saraogi	-	-	-	-
		(-)	(-)	(1771.24)	(1771.24)
	Ms. Avantika Saraogi	-	-	-	-
		(-)	(-)	(274.36)	(274.36)
	Ms. Stuti Dhanuka	-	-	-	-
		(-)	(-)	(362.06)	(362.06)
	Meenakshi Mercantiles Ltd.	-	-	-	-
		(-)	(-)	(518.13)	(518.13)
	Udaipur Cotton Mills Co. Ltd.	-	-	-	-
		(-)	(-)	(454.62)	(454.62)
	Novel Suppliers Pvt. Ltd.	-	-	-	-
		(-)	(-)	(283.78)	(283.78)
	Kamal Nayan Saraogi (HUF)	-	-	-	-
		(-)	(-)	(544.90)	(544.90)
	Vivek Saraogi (HUF)	-	-	-	-
		(-)	(-)	(11.78)	(11.78)
(xiv)	**Balance outstanding:**				
(a)	**Investment in associate accounted for using the equity method**				
	Investment in equity instrument	17256.12	-	-	17256.12
		(24915.52)	(-)	(-)	(24915.52)

Note No. : 36 - Other disclosures *(contd...)*

10. Related party disclosures : *(contd...)*

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(b)	**Receivables :**				
	Receivable towards deputation of an employee	-	-	-	-
		(3.32)	(-)	(-)	(3.32)
(c)	**Payables :**				
	Remuneration payable	-	360.00	-	360.00
		(-)	(360.00)	(-)	(360.00)
	Sitting fees and commission (net of TDS)	-	99.00	-	99.00
		(-)	(89.73)	(-)	(89.73)
	Contribution to employees defined benefit plan	-	-	118.83	118.83
		(-)	(-)	(41.67)	(41.67)

Footnote:
Figures in brackets pertain to previous year.

(c) **Details of Remuneration paid/payable to KMP:**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022				Year ended 31st March, 2021			
	Mr. Vivek Saraogi	Dr. Arvind Krishna Saxena	Other Directors	Total	Mr. Vivek Saraogi	Dr. Arvind Krishna Saxena	Other Directors	Total
Short-term employee benefits								
- Salary	240.00	29.46	-	269.46	240.00	25.73	-	265.73
- Sitting fees	-	-	31.20	31.20	-	-	25.40	25.40
- Commission	360.00	-	110.00	470.00	360.00	-	96.80	456.80
- Perquisites	1.93	4.49	-	6.42	7.48	4.05	-	11.53
	601.93	**33.95**	**141.20**	**777.08**	**607.48**	**29.78**	**122.20**	**759.46**
Post-employment benefits								
Contribution to provident fund	28.80	3.02	-	31.82	28.80	2.81	-	31.61
	630.73	**36.97**	**141.20**	**808.90**	**636.28**	**32.59**	**122.20**	**791.07**

Footnote:
The above remuneration does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.

(d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

(e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provision for bad or doubtful debts has been recognised in current year and previous year in respect of the amounts owed by related parties.

(f) The remuneration of directors has been determined by the Nomination & Remuneration Committee, the Board and approved by the shareholders of the Company having regard to the performance of individuals and market trends.

Note No. : 36 - Other disclosures *(contd...)*

11. Revenue

(i) The details of performance obligation in terms of Ind AS 115 - Revenue from contracts with customers are as follows:

(a) Sugar

The Sugar segment of the Company principally generates revenue from manufacturing and sale of sugar and its by-products and power to distribution companies. Domestic sales of sugar is made on ex-factory terms/agreed terms to wholesale /institutional buyers/merchant exporters within the country. Domestic sugar sales is majorly done on advance payment terms.

Export sales of sugar to merchant exporters are done on ex-factory /delivered basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyers' specific location (as per agreed terms). The sale price and payment terms is fixed as per contracted terms.

Power is supplied to distribution companies from the Company's facilities in accordance with the sale price, payment terms and other conditions as per the Power Purchase Agreements ("PPA").

Bagasse and pressmud are sold generally on advance payment terms to customers on ex-factory basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyer.

(b) Distillery

The distillery segment of the Company principally generates revenue from sale of industrial alcohol which mainly constitutes ethanol sold under contracts with Public and Private Oil Marketing Companies ("OMCs") and other products to institutional buyers and power to distribution companies.

For sale of ethanol under contracts with OMCs, sale price is pre-determined based on Expression of Interest ("EOI")/Tender floated from OMCs. The prices are on delivered cost basis at OMC's locations inclusive of all duties/levies/taxes/charges etc. Payment terms is within 21 days after delivery of material and submission of original invoices.

Other products like Rectified Spirit, Extra Neutral Alcohol (ENA), etc. are sold on bulk basis to institutional buyers on ex-factory basis as per agreed terms. Revenue is recognised when goods have been shipped to the buyers' specific location as per agreed terms. The payment terms are fixed as per Company's credit policy which is up-to 45 days.

Power is supplied to distribution companies from the Company's facilities in accordance with the sale price, payment terms and other conditions as per the Power Purchase Agreements ("PPA").

(c) Others

Other segment principally generates revenue from sale of agricultural fertilisers such as soil conditioner, granulated potash etc.

Agricultural fertilisers such as soil conditioner, granulated potash etc. are sold to customers on ex-factory/ delivered cost basis as per agreed terms. Revenue is recognised when the goods have been shipped as per agreed terms (as the case may be). The payment terms are fixed as per Company's credit policy which is up-to 60 days.

(ii) Disaggregated revenue information have been given along with segment information [Refer Note No. 36(12)(d)].

12. Segment information

(a) The Managing Director has been identified as the Company's Chief Operating Decision-Maker (CODM) as defined by Ind AS 108 – Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed.

On a review being undertaken during the year based on the current business exigencies and reporting etc., in terms of Ind AS 108 "Operating Segments", sugar and distillery have been identified as distinctive operating segments pertaining to the Company's operation as against sugar, co-generation and distillery followed earlier by the Company. Accordingly, segmental information for the previous periods has been compiled/restated.

In addition, revenue and expenses have been identified to a segment based on the segment's operating activities. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as " Unallocable".

Note No. : 36 - Other disclosures *(contd...)*

12. Segment information : *(contd...)*

(b) The following is an analysis of revenue and results from operations by reportable segments: (₹ in Lakhs)

Particulars	Sugar	Distillery	Others	Adjustments / Elimination	Total
Revenue					
External sales	375711.69	99669.80	1944.99	-	477326.48
	(381479.79)	(83591.87)	(2179.34)	(-)	(467251.00)
Inter segment sales	43310.23	471.29	15.46	(43796.98)	-
	(39773.37)	(560.40)	(53.58)	(-)(40387.35)	(-)
Other operating revenue	7276.20	-	-	-	7276.20
	(13914.70)	(-)	(-)	(-)	(13914.70)
Revenue from operations	**426298.12**	**100141.09**	**1960.45**	**(43796.98)**	**484602.68**
	(435167.86)	(84152.27)	(2232.92)	(-)(40387.35)	(481165.70)
Segment profit	**29630.30**	**38236.31**	**959.51**	**-**	**68826.12**
	(32947.47)	(34408.72)	(1044.73)	(-)	(68400.92)
Unallocable expenditure	-	-	-	-	6941.25
net of unallocable income *	(-)	(-)	(-)	(-)	(5513.14)
Finance costs					3086.89
					(3929.59)
Profit before share of profit of					**58797.98**
associates, exceptional items and tax					(58958.19)
Share of profit of associates					1194.09
					(1959.77)
Profit before exceptional items and tax					**59992.07**
					(60917.96)
Exceptional items					**(120.37)**
					(-)
Profit before tax					**59871.70**
					(60917.96)
Tax					
Current tax					11465.79
					(10259.89)
Deferred tax					1942.36
					(2679.07)
Profit for the year					**46463.55**
					(47979.00)

* includes interest income ₹ 38.42 Lakhs (Previous year: ₹ 34.19 Lakhs)

Footnotes:

(i) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments/eliminations' column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at Company level. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at Company level.

(ii) Transactions between segments are primarily transferred at cost/estimated market prices. Common costs are apportioned on a reasonable basis.

(iii) Figures in brackets pertain to previous year.

Note No. : 36 - Other disclosures *(contd...)*

12. Segment information : *(contd...)*

(c) Other information (₹ in Lakhs)

Particulars	Sugar	Distillery	Others	Unallocable	Total
Segment assets	330425.24	93562.16	2181.06	23024.44	449192.90
	(357388.98)	(74184.32)	(2231.22)	(29588.69)	(463393.21)
Segment liabilities	35628.85	5424.28	116.90	131051.52	172221.55
	(67593.88)	(1804.00)	(173.78)	(131906.77)	(201478.43)
Capital expenditure *	14208.07	20205.45	58.38	912.84	35384.74
	(6076.91)	(2838.30)	(224.19)	(170.00)	(9309.40)
Depreciation and amortisation	7679.41	3374.62	87.09	245.37	11386.49
	(7605.27)	(3246.05)	(76.87)	(259.45)	(11187.64)
Non cash expenses other than depreciation and amortisation	400.73	444.47	1.06	(21.98)	824.28
	(119.31)	(9.42)	(-)	(-)	(128.73)
Investment in associates	-	-	-	17256.12	17256.12
	(-)	(-)	(-)	(24915.52)	(24915.52)
Gain on deemed disposal of investment in an associate	-	-	-	2.42	2.42
	(-)	(-)	(-)	(-)	(-)
Share of profit of associates (including other comprehensive income)	-	-	-	1049.88	1049.88
	(-)	(-)	(-)	(1503.31)	(1503.31)

*Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets and includes depreciation, interest and other borrowing costs capitalised.

Footnote:

Figures in brackets pertain to previous year.

(d) In the following table, revenue is disaggregated by geographical market, major products/service lines and timing of revenue recognition and includes a reconciliation of the disaggregated revenue with the Company's reportable segments.

(₹ in Lakhs)

Particulars	Domestic		Total reportable segment	All other segment	Total
	Sugar	Distillery			
Geographical markets					
Within India	357731.17	99669.80	457400.97	1944.99	459345.96
	(367299.90)	(83591.87)	(450891.77)	(2179.34)	(453071.11)
Within India to merchant exporter	17980.52	-	17980.52	-	17980.52
	(14179.89)	(-)	(14179.89)	(-)	(14179.89)
Total	**375711.69**	**99669.80**	**475381.49**	**1944.99**	**477326.48**
	(381479.79)	(83591.87)	(465071.66)	(2179.34)	(467251.00)
Major product					
Sugar (including Raw Sugar)	356255.26	-	356255.26	-	356255.26
	(362522.05)	(-)	(362522.05)	(-)	(362522.05)
Industrial alcohol	-	97462.00	97462.00	-	97462.00
	(-)	(81999.38)	(81999.38)	(-)	(81999.38)
Power	10857.17	683.61	11540.78	-	11540.78
	(12620.03)	(903.70)	(13523.73)	(-)	(13523.73)

Note No. : 36 - Other disclosures *(contd...)*

12. Segment information : *(contd...)*

(₹ in Lakhs)

Particulars	Domestic		Total reportable segment	All other segment	Total
	Sugar	Distillery			
Bagasse	7828.93	-	7828.93	-	7828.93
	(5585.46)	(-)	(5585.46)	(-)	(5585.46)
Others	770.33	1524.19	2294.52	1944.99	4239.51
	(752.25)	(688.79)	(1441.04)	(2179.34)	(3620.38)
Total	**375711.69**	**99669.80**	**475381.49**	**1944.99**	**477326.48**
	(381479.79)	(83591.87)	(465071.66)	(2179.34)	(467251.00)
Timing of revenue recognition					
Products and services transferred at a point in time	375711.69	99669.80	475381.49	1944.99	477326.48
	(381479.79)	(83591.87)	(465071.66)	(2179.34)	(467251.00)
Products and services transferred over time	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Total	**375711.69**	**99669.80**	**475381.49**	**1944.99**	**477326.48**
	(381479.79)	(83591.87)	(465071.66)	(2179.34)	(467251.00)

Figures in brackets pertain to previous year.

(e) Geographical information:

Refer Note No. 36 (12) (d) above for disclosures relating to revenue disaggregated by geographical market..

(f) Information about major customers:

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2022 and 31st March, 2021.

13. Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has neither given any loan nor has advanced any amount either during the year ended 31st March, 2022 or 31st March, 2021. Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

14. During the year ended 31st March 2022, the Company has sold its entire shareholding of 45.00% in its associate Company viz. Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") consisting of 7852500 equity shares of ₹ 10/- each at an agreed consideration of ₹ 7317.71 Lakhs. Accordingly, VPSPPL ceases to be an Associate of the Company w.e.f. 15th February, 2022.

The resultant loss on sale of aforesaid investment aggregating to ₹ 120.37 Lakhs (Previous year: ₹ Nil), [net of transaction costs amounting to ₹ 80.83 Lakhs (Previous year: ₹ Nil) and considering the associate's share of profit recognised till the date of sale] has been considered and shown as "Exceptional items".

15. The Board of Directors of the Company at its meeting held on 15th September, 2017 considered and approved cumulative investment of ₹ 17500.00 Lakhs in tranches over a period of five years in Auxilo Finserve Private Limited ("AFPL"), an unlisted NBFC based in India and engaged in financing activities in education sector.

The Company has so far acquired 155000000 (Previous year: 155000000) Equity shares of AFPL having face value of ₹ 10/- each with total cost of ₹ 15750.00 Lakhs (Previous year: ₹ 15750.00 Lakhs) on preferential issue basis constituting 44.36% (Previous year: 45.05%). Though, it's proportionate shareholding has come down to 44.36% as at 31st March 2022 due to conversion of Optionally Convertible Preference shares into Equity shares, AFPL continues to be an associate of the Company. Gain in proportionate net asset value of equity share held by the Company amounting to ₹ 2.42 Lakhs (Previous year: ₹ Nil) consequent to said dilution in equity shareholding has been recognised under the 'Equity method of accounting' according to "Ind AS" - 28 and included under "Other income".

Note No. : 36 - Other disclosures *(contd...)*

16. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

(₹ in Lakhs)

Sl. No.	Particulars	Refer Note No.	Carrying and fair value	
			As at 31st March, 2022	As at 31st March, 2021
(1)	**Financial assets**			
(a)	Trade receivables	7	13672.39	24546.35
(b)	Cash and cash equivalents	13	32.18	44.67
(c)	Bank balances other than cash and cash equivalents	14	295.40	235.22
(d)	Other financial assets	8	479.43	9761.81
	Total		**14479.40**	**34588.05**
(2)	**Financial liabilities**			
(a)	Borrowings	18	120962.90	123921.23
(b)	Lease liabilities	19	108.35	116.81
(c)	Trade and other payables	24	30828.50	59644.62
(d)	Other financial liabilities	20	7542.21	5517.49
	Total		**159441.96**	**189200.15**

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables, and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

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 prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

17. Financial risk management objectives and policies

The Company's principal financial liabilities includes borrowings, trade payables, other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that derive mainly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management under the supervision of Board of Directors oversees the management of these risks. The Company's financial risks 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 no trading in derivatives for speculative purposes may be undertaken.

Note No. : 36 - Other disclosures *(contd...)*

17. Financial risk management objectives and policies *(contd...)*

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk. Financial instruments affected by market risk include borrowings and equity investments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations.

Sugar is produced over a period of 4 to 5 months and is required to be stored for sale over a period of 12 months, thereby resulting in very high requirement of working capital. Cost of funding depends on the overall fiscal environment in the country as well as the Company's credit worthiness /credit ratings. Failure to maintain credit rating can adversely affect the cost of funds.

To mitigate the interest rate risk, the Company maintains an impeccable track record and ensures long term relation with the lenders to raise adequate funds at competitive rates. Company has access to low cost borrowings because of its healthy Balance Sheet. Moreover, Company deals with four banks thereby reduces risk significantly. In addition, steady revenue from distillery business reduces the overall requirement of working capital.

As at 31st March 2022, the Company has outstanding non-current borrowings, aggregating to ₹ 25695.15 Lakhs (Previous year: ₹ 36252.77 Lakhs), out of which non-current borrowings of ₹ 9266.50 Lakhs (Previous year: ₹ 12522.50 Lakhs) are linked to variable interest rates and are covered under interest subvention scheme [Refer Note No. 18(i) and footnote (iv) to Note No. 36(8)]. Thus, 25 bps increase / decrease in the interest rate will not have a material impact in the Statement of Profit and Loss.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. To mitigate foreign exchange risk, the Company covers its position through permitted hedging methods. There was no foreign currency exposure as at 31st March, 2022 and 31st March, 2021.

(iii) Commodity price risk

The major segment in which the Company operates, which accounts for around 80.00% of the Company's total revenue, is Sugar and as such the Company is exposed to commodity price risk.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Domestic sales quotas are announced by the Government on monthly basis. Further, there are not many active platforms in India that allow hedging of domestic sugar sales. In addition to the above, the Central Government had announced Minimum Sale Price (MSP) for sale of sugar in the open market by every sugar mill. Such MSP, currently at ₹ 31/- per kilogram acts as a minimum floor price for the sale of sugar by the sugar mills in India.

The pricing methodology for ethanol also remained unchanged . Ethanol prices are announced annually by the Central Government, which are generally not linked with the crude or petrol prices. Thus, there is no material price risk in this respect.

(iv) Other price risk:

The Board of Directors reviews and approves equity investment decisions. Company's equity risk exposure is limited to cost and these are subject to impairment testing as per the policies followed in this respect. Accordingly, other price risk is not expected to be material

Note No. : 36 - Other disclosures *(contd...)*

17. Financial risk management objectives and policies *(contd...)*

(b) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including borrowings from banks and financial institutions. The Company's sugar sales are mostly on cash. Power is sold to government entities and ethanol is sold under contracts with Public and Private Oil Marketing Companies ("OMCs"). The Company keeps a close watch on the realisation of the outstanding amounts and has not experienced any significant default.

The Company uses judgement in making the assumptions and selecting the inputs for assessing the impairment calculation, based on the Company's past history, existing market conditions, and future estimates at the end of each balance sheet date. Impairment allowance against financial assets is created and subsequently written off when there is no reasonable expectation of recovery. However, the Company continues to recover the receivables. Where recoveries are made, these are recognised in the Consolidated Statement of Profit and Loss.

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing; Refer Note No. 36(11) for credit terms.

An impairment analysis is performed at each balance sheet date on an individual basis for major customers. Also, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each financial assets class disclosed under Note No. 7.

The following table summarises the change in the loss allowances measured using life time expected credit loss model for trade receivables:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening balance	97.63	97.63
Utilised during the year	35.27	-
Reversed during the year upon settlement	62.36	-
Closing balance	**-**	**97.63**
- Current	-	-
- Non-current	-	97.63

(ii) Balances with banks

Credit risk for balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the consolidated balance sheet as at 31st March, 2022 and 31st March, 2021 is the carrying amounts as stated under Note No. 13 and 14.

(c) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to meet the funding requirement and maintain flexibility in this respect through the use of cash credit facilities, short term loans and commercial papers.

Note No. : 36 - Other disclosures *(contd...)*

17. Financial risk management objectives and policies *(contd...)*

The table below summarises the carrying value and contractual cash flows of Company's financial liabilities :

(₹ in Lakhs)

Sl. No.	Particulars	Carrying value	Contractual cash flows	Less than 1 year	Between 1 to 5 years	More than 5 years
A.	**As at 31st March, 2022**					
(i)	Borrowings					
	- Current maturities of long - term debt	10557.62	10557.62	10557.62	-	-
	- Current - Loans repayable on demand	95985.41	95985.41	95985.41	-	-
		106543.03	106543.03	106543.03	-	-
	- Non-current	14419.87	15137.53	-	15137.53	-
		120962.90	121680.56	106543.03	15137.53	-
(ii)	Lease liabilities	108.35	149.70	16.63	66.53	66.54
(iii)	Trade and other payables	30828.50	30828.50	30828.50	-	-
(iv)	Other financial liabilities	7542.21	7542.21	7542.21	-	-
	Total	**159441.96**	**160200.97**	**144930.37**	**15204.06**	**66.54**
B.	**As at 31st March, 2021**					
(i)	Borrowings					
	- Current maturities of long - term debt	10557.62	10557.62	10557.62	-	-
	- Current - Loans repayable on demand	89136.27	89136.27	89136.27	-	-
		99693.89	99693.89	99693.89	-	-
	- Non-current	24227.34	25695.15	-	25695.15	-
		123921.23	125389.04	99693.89	25695.15	-
(ii)	Lease liabilities	116.81	166.33	16.63	66.53	83.17
(iii)	Trade and other payables	59644.62	59644.62	59644.62	-	-
(iv)	Other financial liabilities	5517.49	5517.49	5517.49	-	-
	Total	**189200.15**	**190717.48**	**164872.63**	**25761.68**	**83.17**

The Company has current financial and non-financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

18. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the Company's equity shareholders. The Company's objective while managing capital is to safeguard its ability to continue as a going concern and continue to provide returns to shareholders and other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the financial covenants' requirements and return of capital to shareholders.

To achieve this overall objective, the Company's capital management, amongst other things, also aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. The Company has complied with these covenants. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2022 and 31st March, 2021.

Note No. : 36 - Other disclosures *(contd...)*

The Company monitors capital using debt-equity ratio, which is total long-term debt divided by total equity.

(₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total long-term debt (including lease liabilities and current maturities of long-term debt)	25803.50	36369.58
Total equity	276971.35	261914.78
Debt to equity ratio	0.09	0.14

(b) Dividend on equity shares declared and paid:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Year to which interim dividend relates	2021-22	2020-21
Interim dividend paid per equity share (₹)	2.50	2.50
Gross amount of interim dividend (₹ in Lakhs)	5101.00	5250.00

19. Other Statutory information

(i) Details of balance outstanding with struck off companies as at 31st March 2022: (₹ in Lakhs)

Name of struck off companies	Relationship with struck off company	Nature of transactions with struck off company	Balance outstanding	
			As at 31st March, 2022	As at 31st March, 2021
Sureka Equipments Pvt. Ltd.	Vendor	Purchases	-	-

(ii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note No. : 36 - Other disclosures *(contd...)*

20. Additional Information as required under Schedule III to the Companies Act, 2013 :

As at 31st March, 2022 :

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Lakhs)	As % of consolidated profit or loss	(₹ in Lakhs)	As % of consolidated other comprehensive income	(₹ in Lakhs)	As % of consolidated total comprehensive income	(₹ in Lakhs)
Parent								
Balrampur Chini Mills Ltd.	93.77	259715.23	97.73	45408.44	98.58	(361.79)	97.72	45046.65
Associates - (Investment as per equity method)								
Auxilo Finserve Pvt. Ltd.	6.23	17256.12	0.98	457.54	1.30	(4.78)	0.98	452.76
Visual Percept Solar Projects Pvt. Ltd.	-	-	1.29	597.57	0.12	(0.45)	1.30	597.12
Total	100.00	276971.35	100.00	46463.55	100.00	(367.02)	100.00	46096.53

As at 31st March, 2021 :

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Lakhs)	As % of consolidated profit or loss	(₹ in Lakhs)	As % of consolidated other comprehensive income	(₹ in Lakhs)	As % of consolidated total comprehensive income	(₹ in Lakhs)
Parent								
Balrampur Chini Mills Ltd.	90.49	236999.26	96.87	46475.78	100.16	(55.71)	96.86	46420.07
Associates - (Investment as per equity method)								
Auxilo Finserve Pvt. Ltd.	6.36	16663.42	0.79	381.15	(0.02)	0.01	0.80	381.16
Visual Percept Solar Projects Pvt. Ltd.	3.15	8252.10	2.34	1122.07	(0.14)	0.08	2.34	1122.15
Total	100.00	261914.78	100.00	47979.00	100.00	(55.62)	100.00	47923.38

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2022

Note No. : 36 - Other disclosures *(contd...)*

21. The Schedule III to the Companies Act 2013 vide notification dated 24th March 2021 issued by Ministry of Corporate Affairs (MCA) has been amended with effect from 1st April 2021 and these consolidated financial statements have been prepared giving effect to the said amendments. Further, on the review being undertaken during the year in terms of Ind AS 108 "Operating Segments", sugar and distillery have been identified as distinct operating segments pertaining to the Company's operation.

Accordingly, comparative figures of the previous year have been compiled/restated and disclosed wherever applicable to make them comparable with those of the current years' figures.

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/-	sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	*Company Secretary*	*Chief Financial Officer*	*Whole-time Director*	*Chairman and Managing Director*
Membership No.- 052438			DIN - 00846939	DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint ventures as at 31st March, 2022:

Part "A": Subsidiaries

Sl. No.	Particulars	Detailed Information	
		As at 31st March, 2022	As at 31st March, 2021
1.	Name of the subsidiary *	Not applicable	Not applicable
2.	The date since when subsidiary was acquired		
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		
4.	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries		
5.	Share capital (₹ in Lakhs)		
6.	Reserves and surplus (₹ in Lakhs)		
7.	Total assets (₹ in Lakhs)		
8.	Total liabilities (₹ in Lakhs)		
9.	Investments (₹ in Lakhs)		
10.	Turnover (₹ in Lakhs)		
11.	(Loss)/Profit before taxation (₹ in Lakhs)		
12.	Provision for taxation (₹ in Lakhs)		
13.	(Loss)/Profit after taxation (₹ in Lakhs)		
14.	Proposed dividend (₹ in Lakhs)		
15.	Extent of shareholding (in %)		

* There were no subsidiary of the Company as at 31st March, 2022 and 31st March, 2021.

Notes:

(i)	Names of subsidiaries which are yet to commence operations	Not applicable	Not applicable
(ii)	Names of subsidiaries which have been liquidated or sold during the year	Not applicable	Not applicable

Form AOC-I *(contd...)*

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Sl. No.	Particulars	Detailed Information			
		As at 31st March, 2022		As at 31st March, 2021	
1.	Name of Associates ^	Auxilo Finserve Pvt. Ltd.	Visual Percept Solar Projects Pvt. Ltd.	Auxilo Finserve Pvt. Ltd.	Visual Percept Solar Projects Pvt. Ltd.
2.	Latest audited Balance Sheet Date	31/03/2022	15/02/2022	31/03/2021	31/03/2021
3.	Date on which the Associate was associated or acquired	20/03/2018	24/01/2017	20/03/2018	24/01/2017
4.	Shares of Associate held by the Company on the year end				
	- Number of equity shares	155000000	-	155000000	7852500
	- Amount of Investment in Associates (₹ in Lakhs)	15750.00	-	15750.00	1963.13
	- Extent of shareholding (in %)	44.36%	Not applicable	45.05%	45.00%
5.	Description of how there is significant influence	By virtue of voting power	Not applicable	By virtue of voting power	By virtue of voting power
6.	Reason why the associate is not consolidated	Not applicable	Not applicable	Not applicable	Not applicable
7.	Networth attributable to shareholding as per latest audited Balance Sheet (₹ in Lakhs)	17256.12	-	16663.42	8252.10
8.	Profit for the year #				
	i. Considered in Consolidation (₹ in Lakhs) *	551.29	597.12	496.92	1462.96
	ii. Not considered in Consolidation (₹ in Lakhs)	691.57	733.97	465.33	2405.22

^ There is/was no other associate of the Company during the year/previous year.

includes Other comprehensive income for the year, net of tax.

* net of expenses and tax paid on buy- back of shares and adjustment pertaining to employee stock options.

Notes:

		As at 31st March, 2022	As at 31st March, 2021
(i)	Names of associates which are yet to commence operations	Not applicable	Not applicable
(ii)	Names of associates which have been liquidated or sold during the year	Visual Percept Solar Projects Pvt. Ltd.	Not applicable

(iii) The Company does not have a joint venture, hence, the requirements under this Part is not applicable to the Company and no information is required to be disclosed.

As per our report of even date attached

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No.- 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

sd/-
Dr. Arvind Krishna Saxena
Whole-time Director
DIN - 00846939

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 24th May, 2022

NOTES

NOTES

Corporate Information

(as on 24 May, 2022)

Board of Directors

Vivek Saraogi
Chairman and Managing Director

D. K. Mittal (IAS Retd.)
Lead Independent Director

Naresh Dayal (IAS Retd.)
Non-Executive and
Non-Independent Director

Krishnava Dutt
Independent Director

Veena Hingarh
Independent Director

Mamta Binani
Independent Director

Dr. Arvind Krishna Saxena
Whole-time Director

Chief Financial Officer

Pramod Patwari

Company Secretary

Manoj Agarwal

Corporate Identification Number

L15421WB1975PLC030118

Registered Office

FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road,
Kolkata 700 020

Website

www.chini.com

Bankers

State Bank of India

HDFC Bank

ICICI Bank

Kotak Mahindra Bank

Statutory Auditors

M/s. Lodha & Co
Chartered Accountants

Registrar and Share Transfer Agent

KFin Technologies Limited
Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad-500032

Sugar Factories

Unit 1: Balrampur
(Including distillery,
cogeneration and agro units)
Dist: Balrampur, Uttar Pradesh

Unit 2: Babhnan
(Including distillery and
cogeneration units)
Dist: Gonda, Uttar Pradesh

Unit 3: Tulsipur
(Including cogeneration unit)
Dist: Balrampur, Uttar Pradesh

Unit 4: Haidergarh
(Including cogeneration unit)
Dist: Barabanki, Uttar Pradesh

Unit 5: Akbarpur
(Including cogeneration unit)
Dist: Ambedkarnagar, Uttar Pradesh

Unit 6: Rauzagaon
(Including cogeneration unit)
Dist: Ayodhya, Uttar Pradesh

Unit 7: Mankapur
(Including distillery,
cogeneration and agro units)
Dist: Gonda, Uttar Pradesh

Unit 8: Kumbhi
(Including cogeneration unit)
Dist: Lakhimpur Kheri, Uttar Pradesh

Unit 9: Gularia
(Including distillery, cogeneration and
agro units)
Dist: Lakhimpur Kheri, Uttar Pradesh

Unit 10: Maizapur
(Including cogeneration unit)
Dist: Gonda, Uttar Pradesh

Balrampur Chini Mills Limited
CIN: L15421WB1975PLC030118

Registered Office
FMC Fortuna, 2nd Floor,
234/3A A.J.C. Bose Road, Kolkata 700020, West Bengal, India
P: (033) 22874749 F: (033) 22892633 E: bcml@bcml.in
W: www.chini.com

Balrampur Chini Mills Limited

CIN: L15421WB1975PLC030118
Registered Office: FMC Fortuna, 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata - 700 020
Tel: +91 33 2287 4749; **Fax**: +91 33 2289 2633;
Email: secretarial@bcml.in; **Website**: www.chini.com

NOTICE

NOTICE is hereby given that the Forty Sixth (46th) Annual General Meeting of the Members of Balrampur Chini Mills Limited will be held on **Saturday, the 27th Day of August, 2022 at 3:30 P.M. (IST)** through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

Ordinary Business(s):

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the Report of the Auditors thereon.
3. To approve and confirm the interim dividend of ₹2.50 per Equity Share of the Company paid during the year as final dividend for the Financial Year ended 31st March, 2022.
4. To appoint a director in place of Mr. Naresh Dayal (DIN: 03059141), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
5. To re-appoint M/s. Lodha & Co, Chartered Accountants as the Statutory Auditors of the Company.

   To consider and if thought fit pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Lodha & Co, Chartered Accountants (ICAI Registration No.: 301051E), be and is hereby re-appointed as the Statutory Auditors of the Company for a further period of 5 (five) consecutive years, to hold office for a second term commencing from the conclusion of this Annual General Meeting till the conclusion of the 51st Annual General Meeting of the Company to be held in the year 2027, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors based on the recommendations of the Audit Committee, plus taxes, as applicable and reimbursement of out-of-pocket expenses.

   RESOLVED FURTHER THAT the Board of Directors or any person authorised by the Board, be and is hereby severally authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

Special Business(s):

6. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of M/s Mani & Co., Cost Accountants (Firm Registration No.: 000004), appointed by the Board of Directors, on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending 31st March, 2023, amounting to ₹4,00,000 (Rupees Four Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses, be and is hereby ratified.

   RESOLVED FURTHER THAT each of the Directors and the Company Secretary of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid Resolution."

7. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and based on the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors, Mr. Praveen Gupta (DIN: 09651564) who was appointed as an Additional Director by the Board of Directors of the Company with effect from 1st July, 2022, in terms of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and is eligible for appointment and in respect of whom the Company has received a notice in term of section 160(1) of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions, as it may in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate, to the extent permitted by law, any of the powers herein conferred to any Committee of Directors or to any other Director(s) or to any Key Managerial Personnel of the Company."

8. To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder read with Schedule V of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) or any other applicable laws for the time being in force and in accordance with the provisions of the Articles of Association of the Company, and such other approvals as may be necessary, pursuant to recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors of the Company, approval of the Members of the Company, be and is hereby accorded for the appointment of Mr. Praveen Gupta (DIN: 09651564) as the Whole-time Director of the Company for a term of three (3) years with effect from 1st July, 2022 to 30th June, 2025 whose office shall be liable to retire by rotation, on such terms and conditions including remuneration as set out in the Explanatory Statement attached hereto.

   RESOLVED FURTHER THAT notwithstanding the profits in any Financial Year, the Company shall pay the remuneration as mentioned in Explanatory Statement as the minimum remuneration.

   RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to vary, alter and modify the terms and conditions of appointment, remuneration/remuneration structure of Mr. Praveen Gupta within the limits prescribed above and in accordance with the provisions of the applicable laws.

   RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things and give such directions, as it may in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate, to the extent permitted by law, any of the powers herein conferred to any Committee of Directors or to any Director(s) or to any Key Managerial Personnel of the Company."

Place: Kolkata
Date: 30th June, 2022

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No: A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (as amended) (the "Act") and Secretarial Standard on General Meetings (Revised) – 2 (the "SS-2"), relating to Special Businesses to be transacted at the Meeting which the Board of Directors have considered and decided to include as Special Business and which are unavoidable in nature, are annexed hereto. The said Statements also contain the recommendation of the Board of Directors of the Company in terms of Regulation 17(11) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"). Additional disclosures, pursuant to the requirements of SS-2 and Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / re-appointment form part of this Notice convening the 46th Annual General Meeting (AGM/Meeting) of the Company (the "Notice").

2. In view of continuing social distancing norms due to Covid-19, the Ministry of Corporate Affairs ("MCA"), vide its General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, the latest being 2/2022 dated 5th May, 2022 and the Securities Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, and other applicable circulars issued in this regard, have allowed the companies to conduct AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till 31st December, 2022 without physical presence of the Members at a common venue. In accordance with the applicable provisions of the Act, the Listing Regulations and the said Circulars of MCA and SEBI, the 46th AGM of the Company shall be conducted through VC/OAVM. KFin Technologies Limited ("KFin") will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the Meeting through VC/OAVM is explained herein below. Participation of the Members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act. Further, the deemed venue for the AGM shall be the Registered Office of the Company.

3. Keeping the convenience of the Members positioned in different time zones, the Meeting has been scheduled at 3:30 P.M. (IST).

4. **IN TERMS OF THE MCA AND SEBI CIRCULARS MENTIONED HEREINABOVE, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THE NOTICE.**

   However, in pursuance of Section 113 of the Act and Rules framed thereunder, the institutional/corporate members are entitled to appoint authorised representatives for the purpose of voting through remote e-voting or for the participation and e-voting during the AGM, through VC or OAVM. In this regard, they are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution/Power of Attorney/appropriate Authorisation Letter authorising their representative to vote on their behalf, to the Scrutinizer through e-mail at *cs.amberahmad@gmail.com* with the subject line "Balrampur Chini Mills Limited – 46th AGM" with a copy marked to *evoting@ kfintech.com*.

5. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.

DISPATCH OF ANNUAL REPORT, PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF THE NOTICE AND ANNUAL REPORT:

6. In compliance with the aforesaid MCA and SEBI Circulars, the Notice and the Annual Report is being sent only through electronic mode to all the Members whose email addresses are registered with the Company/RTA/Depositories.

7. Members may note that the Notice and the Annual Report will also be available on the Company's website at *www.chini.com*, the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at *www.bseindia.com* and *www.nseindia.com*, respectively, and on the website of the e-voting agency *https://evoting.kfintech.com/*.

8. KFin Technologies Limited ("KFin"), the Company's Registrar and Transfer Agent will provide the facility for voting through remote e-voting, for participating in the AGM through VC / OAVM and e-voting during the AGM.

9. Pursuant to the MCA's Circular, the Company shall publish a newspaper advertisement urging its Members (who have not registered their email IDs) to register their email IDs at the earliest. However, Members who have still not registered their email IDs, are requested to do so at the earliest, in the following manner:

   a) Members holding shares in electronic mode can get their email IDs registered by contacting their respective Depository Participant.

   b) Members holding shares in physical mode are requested to register their email IDs with the Company or KFin, for receiving the Notice and Annual Report. Requests can be emailed to at *investorgrievances@bcml.in* or *einward.ris@kfintech.com* or by logging into *https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx*

The Members are urged to support the Green Initiative of the Government of India by choosing to receive the communication from the Company through email.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

10. Members will be able to attend the AGM through VC / OAVM of the AGM at https://emeetings.kfintech.com by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM.

    Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.

11. Members may join the AGM through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, MS Edge or Mozilla Firefox.

    Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

    Members will be required to grant access to the web-cam to enable two-way video conferencing.

12. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the AGM. 1000 Members will be able to participate in the AGM through VC / OAVM on a first-come- first-serve basis.

    Large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come-first-serve basis.

13. Institutional Members are encouraged to participate at the AGM through VC / OAVM and vote thereat.

14. Members, holding shares as on the cut-off date i.e. Saturday, 20th August, 2022 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers at https://emeetings.kfintech.com and clicking on 'Speaker Registration' during the period from Wednesday, 24th August, 2022 (10:00 A.M. IST) upto Friday, 26th August, 2022 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

    Alternatively, Members holding shares as on the cut-off date may also visit https://emeetings.kfintech.com and click on the tab 'Post Your Queries' and post their queries/views/ questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window will close at 5.00 P.M. (IST) on Friday, 26th August, 2022.

15. Members who need assistance before or during the AGM with use of technology, can contact KFin at 1800 309 4001 or write to them at evoting@kfintech.com

PROCEDURE FOR REMOTE E-VOTING AND VOTING DURING THE AGM:

16. In accordance with the provisions of Section 108 and other applicable provisions, if any, of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and Regulation 44 of the Listing Regulations, the Company has engaged the services of KFin to provide remote e-voting facility to all the Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting.

17. Members are requested to attend and participate in the ensuing AGM through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during the AGM.

18. Members who would have cast their vote by remote e-voting may attend the Meeting through VC/OAVM, but shall not be able to vote at the Meeting. Such a member will also not be allowed to change or cast vote again. The facility of voting through electronic means will also be available during the Meeting. Members attending the Meeting who would have not already cast their vote by remote e-voting shall be able to cast their vote during the Meeting.

19. In case of any query and / or help, in respect of attending the AGM through VC/ OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC / OAVM' user manual available at the download Section of https:// evoting.Kfintech.com or contact Mr. S. V. Raju, Deputy Vice President - Corporate Registry or Mr. Balaji Reddy, Senior Manager – Corporate Registry of KFin at the email ID at evoting@kfintech.com KFin's toll free no.: 1800-309- 4001 for any further clarifications / technical assistance that may be required.

20. **The process and manner for remote e-voting are as under:**

a) Pursuant to the provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the SS-2 and Regulation 44 of the Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is pleased to provide remote e-voting facility to its Members in respect of the business to be transacted during the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM.

b) The facility for voting shall also be made available during the AGM and the Members participating in the Meeting who have not cast their votes by remote e-voting shall be able to exercise their right during the Meeting through e-voting.

c) The Members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM but shall not be entitled to cast their vote again.

d) The facility of casting the votes by the Members using an electronic voting system ("remote e-voting") during the prescribed time prior to AGM and voting during AGM will be provided by service provider KFin.

e) The remote e-voting period commences on Wednesday, 24th August, 2022 (10:00 A.M. IST) and ends on Friday, 26th August, 2022 (5:00 P.M. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 20th August, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by KFin for voting thereafter. Once a Member casts his vote on a resolution, the Member shall not be allowed to change it subsequently.

f) Any person who becomes a member of the Company after sending notice of AGM and holding shares as on cut- off date i.e. Saturday, 20th August, 2022 may obtain the User ID and Password in the manner mentioned below by sending email to the Company at *secretarial@bcml.in* along with authentic proof of Member or to write to KFin at *evoting@kfintech.com* sufficiently before closing of the remote e-voting.

g) The process and the manner for remote e-voting and e-voting during AGM is as under:

As per the SEBI Circular dated 9th December, 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. Members are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING:

I. FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT

Login method for Individual Shareholders holding shares in demat mode, as devised by the Depositories/ Depository Participants, is given below:

NSDL	CDSL
1. **User already registered for IDeAS facility of NSDL:** i. Type in the browser / click on the e-Services link: *https://eservices.nsdl.com* ii. Click on the 'Beneficial Owner' icon under 'IDeAS' section. iii. A new page will open. Enter your User ID and Password. Post successful authentication, click on 'Access to e-Voting' under 'Value Added Services'. iv. Click on 'Active E-Voting Cycles' option under e-Voting. v. Click against Company name ('Balrampur Chini Mills Limited') or e-Voting service provider ('Kfintech') and you will be re-directed to e-Voting page of service provider i.e. Kfintech for casting the vote during the remote e-Voting period. You can now cast your vote without any further authentication.	1. **User already registered for Easi/Easiest facility of CDSL:** i. Type in the browser / click on any of the following links: *https://web.cdslindia.com/myeasi/home/login* or *www.cdslindia.com* ii. Click on New System Myeasi / Login to My Easi option under Quick Login. iii. Enter your User ID and Password for assessing Easi / Easiest. iv. Click against Company name ('Balrampur Chini Mills Limited') or e-Voting service provider ('Kfintech') and you will be re-directed to e-Voting page of service provider i.e. Kfintech for casting the vote during the remote e-Voting period. You can now cast your vote without any further authentication.

NSDL	CDSL
2. User not registered for IDeAS e-Services facility of NSDL: i. To register type in the browser /click on, any of the following e-Service link: https://eservices.nsdl.com or https://eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp ii. Select 'Register Online for IDeAS' iii. Proceed to complete your registration using your DP ID, Client ID, Mobile number and other required details. iv. After successful registration, follow the steps mentioned under Para 1 above to cast your vote.	2. User not registered for Easi/Easiest facility of CDSL: i To register type in the browser /click on the following link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration ii. Proceed to complete your registration using your DP ID, Client ID, Mobile number and other required details. iii. After successful registration, follow the steps mentioned under Para 1 above to cast your vote.
3. User may directly access the e-Voting website of NSDL: i. Type in the browser /click on the following link: https:// www.evoting.nsdl.com/ ii. Click on the icon 'Login' which is available under 'Shareholder/Member' section. iii. Enter User ID (i.e. 16-digit demat account number held with NSDL starting with IN), Password/OTP and a Verification Code as shown on the screen. iv. Post successful authentication, you will be redirected to e-Voting page on NSDL website. v. Click against Company name ('Balrampur Chini Mills Limited') or e-Voting service provider ('Kfintech') and you will be re-directed to e-Voting page of service provider i.e. Kfintech for casting the vote during the remote e-Voting period. You can now cast your vote without any further authentication.	3. User may directly access the e-Voting website of CDSL: i. Type in the browser /click on the following link: www.cdslindia.com ii. Click on E-Voting and enter your DP ID & Client ID and PAN. iii. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. iv. After successful authentication, you will enter e-voting module of CDSL. v. Click against Company name ('Balrampur Chini Mills Limited') or e-Voting service provider ('Kfintech') and you will be re-directed to e- Voting page of service provider i.e. Kfintech for casting the vote during the remote e-Voting period. You can now cast your vote without any further authentication.

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned websites.

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

Contact details of NSDL – In case Members face any technical issue	Contact details of CDSL – In case Members face any technical issue
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	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022- 23058542-43.

II. FOR NON-INDIVIDUAL SHAREHOLDERS AND SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

Login method for non-individual shareholders and shareholders holding shares in physical form are given below:

A. **In case a shareholder receives an e-mail from the Company / Kfin [for shareholders whose e-mail addresses are registered with the Company / Depository Participant(s)]:**

i. Launch internet browser by typing the URL: https://evoting.kfintech.com.

ii. Enter the login credentials (i.e., user-id and password) mentioned in the email communication. The e-Voting Event Number and your Folio Number or your DP ID Client ID will be your User ID.

User – ID: For shareholders holding shares in demat form:

For NSDL: 8 Character DP ID starting with IN followed by 8 Digits Client ID for CDSL: 16 digits beneficiary ID

User – ID: For shareholders holding shares in physical form:

EVEN Number followed by Folio No. registered with the Company / RTA.

Password: Your unique password is sent via e-mail forwarded through the electronic notice.

Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons.

iii. After entering these details appropriately, Click on 'LOGIN'.

iv. If you are logging in for the first time, you will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the E-Voting Event Number 'EVEN' i.e., Balrampur Chini Mills Limited.

vii. On the voting page you will see Resolution Description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares (which represents the number of votes) as on the cut-off date under 'FOR / AGAINST' or alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST' but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN'. If the shareholder does not indicate either 'FOR' or 'AGAINST' it will be treated as 'ABSTAIN' and the shares held will not be counted under either head.

viii. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.

ix. You may then cast your vote by selecting an appropriate option and click on 'Submit'.

x. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution(s).

B. **In case of a shareholder whose e-mail address is not registered / updated with the Company / RTA / Depository Participant(s), please follow the following steps to generate your login credentials:**

i. Shareholders holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to register / update the same by clicking on *https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx* or by providing necessary details like Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), AADHAAR (self-attested scanned copy) by email to *evoting@kfintech.com* and cc to the Company at *secretarial@bcml.in*.

ii. Shareholders holding shares in dematerialised mode, shall provide Demat account details (CDSL - 16 digit beneficiary ID or NSDL - 16 digit DP ID + CL ID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy), AADHAAR (self-attested scanned copy) by email to *evoting@kfintech.com* and cc to the Company at *secretarial@bcml.in*

iii. After due verification, the Company/Kfin will forward your login credentials at your registered e-mail address.

iv. Follow the instructions at II.(A). (i) to (x) to cast your vote.

III. GENERAL INSTRUCTIONS/INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS

i. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., to the Scrutinizer at *cs.amberahmad@gmail.com* with a copy marked to *einward.ris@kfintech.com* and *investorgrievances@bcml.in*

ii. In case of any queries, please visit 'Help' and 'Frequently Asked Questions' (FAQs) section / E-voting user manual available through a dropdown menu in the 'Downloads' section available at RTA's website *https://evoting.kfintech.com* or call at toll free no. 18003094001. Any grievance relating to e-voting may be addressed to Mr. S V Raju, Deputy Vice President, at e-mail id: *einward.ris@kfintech.com*.

21. Other Instructions:

a) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

b) The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC/OAVM. The e-voting window shall be activated upon instructions of the Chairman of the AGM during the AGM. E-voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same.

22. The Board of Directors has appointed CS Amber Ahmad, Proprietor, Amber Ahmad & Associates, Company Secretaries, (FCS No.: 9312 / C.P. No.: 8581), or failing her, such other Practicing Company Secretary as the Executive Committee of the Board of Directors of the Company may appoint, as the Scrutinizer for scrutinizing the process of remote e-voting and e-voting during the Meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of the Meeting, unblock the votes cast through remote e-voting and e-voting done during the Meeting in presence of atleast two witnesses not in employment of the Company. The Scrutinizer shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than two working days of conclusion of the Meeting.

23. The Results of remote e-voting and voting at the Meeting shall be declared by the Chairman or by any other director duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (*www.chini.com*) and also be displayed on the Notice Board of the Company at its Registered Office for atleast 3 days and on the website of KFin (*https://evoting.kfintech.com/*) immediately after the results are declared and simultaneously communicated to the Stock Exchanges in compliance with regulation 44(3) of the Listing Regulations.

GENERAL:

24. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 21st August, 2022 to Saturday, 27th August, 2022 (both days inclusive).

25. The Board of Directors, had declared interim dividend @ 250% i.e. ₹2.50 per equity share of ₹1 each at its Meeting held on 2nd February, 2022 which was paid to the equity shareholders whose names appeared on the Company's Register of Members or in the records of the Depositories as beneficial owners on 14th February, 2022. The Board has not proposed any final dividend for the financial year ended 31st March, 2022 and accordingly, the interim dividend paid during the year shall be treated as final dividend. However, in order to receive any future dividend directly in your bank account, kindly register / update your bank account details with the Company.

26. Members holding shares in electronic form may note that the Company or its Registrar and Transfer Agent (KFin) cannot act on any request received directly from the Members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address and / or bank mandates immediately to KFin.

27. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / KFin.

28. In order to enhance the ease of doing business for investors in the securities market, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, read together with the SEBI Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 (hereinafter, collectively referred as the "SEBI KYC Circulars") mandated furnishing of PAN, full KYC details and Nomination by the holders of physical securities. The Company has intimated the concerned security holders

about the folios which are incomplete in terms of the SEBI KYC Circulars. The folios wherein the above details are not available shall be frozen in the manner and timelines given in the SEBI KYC Circulars.

Further, in terms of the SEBI KYC Circulars, the securities in the frozen folios shall be eligible for payment including dividend only through electronic mode, in the manner and timelines given therein. The payment shall be made electronically upon complying with the relevant requirements of the SEBI KYC Circulars.

Accordingly, Members are hereby requested to kindly comply with the SEBI KYC Circulars.

29. Pursuant to Regulation 40 of the Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode w.e.f. 1st April, 2019, except in case of transmission or transposition of securities. In this regard, SEBI vide its Press Release No. 12/2019 dated 27th March, 2019 clarified that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after 1st April, 2019. However, any investor desirous of transferring shares which are held in physical mode after 1st April, 2019 could do so only after the shares are dematerialized. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September, 2020 fixed 31st March, 2021 as the cut-off date for relodgement of transfer deeds. Accordingly, the shares that were re-lodged for transfer (including those requests that are pending with the Company / RTA) were allowed to be issued only in demat mode.

30. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has now decided that, with immediate effect, listed companies shall issue the securities in dematerialized form only, while processing investor service request pertaining to issuance of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificates, endorsement, sub-division/splitting/consolidation of share certificates, transmission and transposition. The securities holder/ claimant are, accordingly, required to submit duly filled-up Form ISR-4, the format of which can be downloaded from the Company's website, i.e. *www.chini.com*

    Members holding shares in physical form are, accordingly, requested to consider converting their holding to dematerialized form.

UNPAID DIVIDEND AND TRANSFER TO IEPF ACCOUNT:

31. In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the due date for transferring the unclaimed dividend for the Financial Year 2016-17 to the Investor Education and Protection Fund (established by the Central Government) is **18th September, 2023**. Shareholders who have not yet encashed their dividend warrants for the Financial Year 2016-17 or any subsequent financial year(s) are requested to claim the same by sending a duly signed letter (along with a copy of cancelled cheque) to KFin immediately. The Company has uploaded the details of unpaid/unclaimed dividend amounts lying with the Company on the website of the Company (*www.chini.com*) and also on the website of the Ministry of Corporate Affairs.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

32. All documents referred to in the Notice and the Explanatory Statement shall be made available electronically for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members seeking inspection of the aforementioned documents can send an email to *secretarial@bcml.in* with the subject line "Balrampur Chini Mills Limited – 46th AGM" from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers.

33. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available for inspection by the Members through electronic mode during the AGM.

34. FOR EASE OF PARTICIPATION BY MEMBERS, PROVIDED BELOW ARE KEY DETAILS REGARDING THE AGM FOR REFERENCE:

Sl. No.	Particulars	Details of access
a.	**Link of the AGM and for participation through VC/OAVM**	*https://emeetings.kfintech.com* by using e-voting credentials and clicking on video conference
b.	**Link for posting AGM queries and speaker registration and period of registration**	*https://emeetings.kfintech.com* by using e-voting credentials and clicking on "post your queries" / "Speaker registration" as the case may be. Period of registration: Wednesday, 24th August, 2022 (10:00 A.M. IST) upto Friday, 26th August, 2022 (5:00 P.M. IST)
c.	**Username and password for VC**	Members may attend the AGM through VC by accessing the link *https://emeetings.kfintech.com* by using the remote e-voting credentials. Please refer the instructions provided separately which forms part of the Notice.
d.	**Helpline number for VC participation and e-voting**	Contact KFin Technologies Limited at 1800-309-4001 or write to them at *evoting@kfintech.com*
e.	**Cut-off date for e-voting**	Saturday, 20th August, 2022
f.	**Time period for remote e-voting**	Commences on Wednesday, 24th August, 2022 (10:00 A.M. IST) and ends on Friday, 26th August, 2022 (5:00 P.M. IST)
g.	**Book closure dates**	Sunday, 21st August, 2022 to Saturday, 27th August, 2022 (both days inclusive)
h.	**Link for Members to update email ID**	*https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx*
i.	**Last date for publishing results of the e-voting**	Tuesday, 30th August, 2022
j.	**Registrar and Transfer Agent - contact details**	KFin Technologies Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad–500032 Tel: 1800-309-4001 *www.kfintech.com*
k.	**Balrampur Chini Mills Limited – contact details**	FMC Fortuna, 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata-700020 Email: *secretarial@bcml.in*

Place: Kolkata
Date: 30th June, 2022

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No: A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 READ TOGETHER WITH REGULATION 17(11) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND OTHER APPLICABLE LAWS (AS AMENDED)

The following Explanatory Statement sets out all material facts and recommendation of the Board of Directors of the Company relating to the Item Nos. 5, 6, 7 and 8 of the accompanying Notice dated 30th June, 2022:-

Item No. 5:

At the 41st Annual General Meeting ("AGM") of the Company held on 30th August, 2017, the Members had approved the appointment of M/s. Lodha & Co, Chartered Accountants (ICAI Registration No.: 301051E), as the Statutory Auditors of the Company, to hold office till the conclusion of the 46th AGM of the Company.

Considering M/s. Lodha & Co's performance as auditors of the Company during their present tenure including their independence, experience, technical skills, audit team, etc. and based on recommendations of the Audit Committee, the Board of Directors at their meeting held on 24th May, 2022, approved the re-appointment of M/s. Lodha & Co, as the Statutory Auditors of the Company for a second term of five (5) years i.e. from the conclusion of 46th AGM till the conclusion of 51st AGM to be held in the year 2027. The re-appointment is subject to approval of the Members of the Company.

Brief Profile of Lodha & Co:

Lodha & Co, a firm of Chartered Accountants having its Head Office in Kolkata, was founded in 1941. It has branches in Mumbai, Delhi, Hyderabad, Chennai and Jaipur. The firm has 16 Partners and a dedicated team of more than 77 Professionals. Staff strength of the firm, other than Professional Staff, is around 230 personnel. The firm is currently providing Assurance, Taxation, Accounting and Advisory Services. It has experience of working with several Multinational Companies, listed entities and companies with Multi-products and Services. It is empanelled with Comptroller and Auditor General of India and Reserve Bank of India. Further, the firm is registered with Public Company Accounting Oversight Board (PCAOB) and therefore eligible to conduct the audit of Indian subsidiaries/ associates of companies listed in USA. The firm having more than 80 years of professional experience, has presence in major Business Groups, Banks and various non-Government and Government organisations in India.

M/s. Lodha & Co has consented to their appointment as the Statutory Auditors and has confirmed that if appointed, their appointment will be in accordance with Sections 139 and 141 of the Companies Act, 2013.

The proposed remuneration to be paid to M/s. Lodha & Co, for the Financial Year 2022-23 is ₹75.83 Lakhs (Rupees Seventy Five Lakhs Eighty Three Thousand only) (plus applicable taxes and reimbursement of out-of-pocket expenses). The Audit Committee and the Board is of the view that ₹75.83 Lakhs (Rupees Seventy Five Lakhs Eighty Three Thousand) is reasonable audit fee considering the size and scale of the Company.

The remuneration to be paid to the Statutory Auditors for the remaining term i.e. from FY 2023-24 to FY 2026-27 (till the conclusion of the 51st AGM of the Company to be held in the year 2027), shall be mutually agreed between the Board of Directors (on recommendation of the Audit Committee) and the Statutory Auditors, from time to time.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the Resolution set forth in Item No. 5 for the approval of the Members.

Item No. 6:

The Board, on recommendation of the Audit Committee, approved the appointment of M/s. Mani & Co., Cost Accountants (Firm Registration No.: 000004), as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company relating to Sugar (including Industrial Alcohol), Electricity and Agro (Fertilizer & Insecticides) for the financial year ending 31st March, 2023 at a remuneration of ₹4,00,000.00 (Rupees Four Lakhs only) plus taxes, as applicable and reimbursement of out of pocket expenses. In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, the Board of Directors of the Company recommends the resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2023, by Members of the Company by way of an Ordinary Resolution.

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

Item Nos. 7 & 8:

Pursuant to Section 161 of the Companies Act, 2013 (as amended) (the "Act"), Mr. Praveen Gupta (DIN: 09651564) was appointed as an Additional Director on the Board of the Company with effect from 1st July, 2022 to hold office up to the date of the ensuing Annual General Meeting. A notice under Section 160 of the Act has been received by the Company from a member proposing the candidature of Mr. Gupta as a Director of the Company.

Based on the recommendation of the Nomination & Remuneration Committee and consent of Mr. Gupta to act as a Director of the Company and other statutory disclosures, it is proposed to appoint Mr. Gupta as a Director of the Company whose office shall be liable to retire by rotation. Further as per the declarations received by the Company, Mr. Gupta is not disqualified under Section 164 of the Act. The directorships held by Mr. Gupta are within the limits prescribed under the Act.

Brief resume of Mr. Praveen Gupta, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., are provided as Annexure to this Notice.

He was also appointed as the Whole-time Director of the Company for a period of three (3) years with effect from 1st July, 2022 till 30th June, 2025, subject to the approval of the Members, on the following terms and conditions including remuneration:

General Terms & Conditions

i. Mr. Praveen Gupta will inter alia lead the Corporate Technical Team (CTT) to ensure that the Units meet the technical excellence parameters as set by the CTT for increasing efficiency in operations and drive functional synergies across all units (cost, know-how and knowledge sharing). He will inter alia undertake identification of underperforming assets & way for improvement / modernisation thereof and will ensure EHS and other compliances in units. He shall further perform such other functions and duties as may be assigned to him, from time to time, by the Board/Management.

ii. Mr. Gupta shall not be paid any sitting fees for attending the meetings of the Board or its Committees.

iii. Mr. Gupta shall also visit such places from time to time, which may be necessary for the purpose of the business of the Company. Mr. Gupta shall be entitled to reimbursement of all the travelling, boarding, lodging and incidental expenses, which he may incur for performing his duties in or outside Uttar Pradesh.

iv. Mr. Gupta shall be liable to retire by rotation and shall be reckoned as a Director for the purpose of determining the retirement of Directors by rotation or in fixing the number of Directors to retire but he shall immediately cease to be a Whole-time Director if he ceases to hold the office of Director for any reason.

v. There would neither be any notice period nor any severance fees.

Remuneration:

(a) Fixed Pay:

₹74,40,000/- inclusive of salary, allowances and retirement benefits, per annum or such other amount as may be determined by the Board of Directors of the Company, provided that increment if any during the subsequent years, shall not exceed 10% per annum of the fixed pay of preceding Financial Year.

(b) Annual performance linked incentive:

₹18,60,000/- (at 100% performance) or such sum as may be determined by the Nomination & Remuneration Committee and the Board from time to time, provided however that the total Variable Pay shall not exceed 25% of the annual fixed pay in any Financial Year.

The amount of annual performance linked incentive would be based on achievement of plant efficiency and sustainability parameters including other performance metrics. Further the Nomination & Remuneration Committee and/or Board of Directors would vary /alter the performance parameters/ metrics from time to time.

(c) Perquisites:

As per Company's policy(s) or as approved by the Board from time to time, provided that the aggregate value of the perquisites shall not exceed 10% of the basic pay in any Financial Year.

The Company has received a notice pursuant to Section 160 of the Act from a Member signifying his intention to propose the appointment of Mr. Gupta as a Director of the Company.

Where in any Financial Year(s) during the currency of the tenure of Mr. Praveen Gupta as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Praveen Gupta in respect of such Financial Year(s) in which such inadequacy or loss arises or for a period of three years, (whichever is lower), the remuneration as set out above by way of consolidated salary and perquisites as minimum remuneration, in accordance with the provisions of Section 197 and/or Schedule V to the Act or under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or under any other law for the time being in force, if any.

Pursuant to the provisions of Schedule V to the Act, the following information is being provided to the Members. The Board will provide other information (which is not available as on the date of this Notice) in the year in which Schedule V will be applicable due to having inadequate profit or loss in the Company.

I. General Information

1. Nature of industry:

Manufacturing of Sugar, Ethanol, Industrial Alcohol and Co-generation of Power.

2. Date of commencement of commercial production:

Existing Company, already in operation since 1975.

3. Financial performance based on given indicators

(₹ In Crore)

Particulars	March 2018	March 2019	March 2020	March 2021	March 2022
Revenue from operations	4,400.72	4,285.78	4,741.29	4,811.66	4,846.03
Other income	27.72	42.75	38.55	33.45	47.91
Total income	**4,428.44**	**4,328.53**	**4,779.84**	**4,845.11**	**4,893.94**
Stock adjustments	409.75	(538.36)	37.34	(55.83)	194.42
Cost of material consumed	3,064.88	3,595.41	3,464.15	3,511.86	3,261.73
Excise duty*	58.18	-	-	-	-
Gross profit	**895.63**	**1,271.48**	**1,278.35**	**1,389.08**	**1,437.79**
Overheads and all other expenditure	416.26	539.66	557.83	641.79	690.18
PBDIT	**479.37**	**731.82**	**720.52**	**747.29**	**747.61**
Finance costs	52.03	40.94	64.17	39.30	30.87
PBDT	**427.34**	**690.88**	**656.35**	**707.99**	**716.74**
Depreciation and amortisation expenses	95.16	95.85	101.42	111.88	113.86
Profit before tax and exceptional items	332.18	595.03	554.93	596.11	602.88
Exceptional items	-	-	-	-	52.74
Pre-tax profit	**332.18**	**595.03**	**554.93**	**596.11**	**655.62**
Tax	111.06	24.39	45.65	126.34	140.96
Profit for the year	**221.12**	**570.64**	**509.28**	**469.77**	**514.66**
Other comprehensive income (net of tax)	(4.55)	(5.14)	(7.01)	(0.56)	(3.62)
Total comprehensive income (TCI)	216.57	565.50	502.27	469.21	511.04
Equity capital	22.84	22.84	22.00	21.00	20.40
Reserves	1,564.30	2,059.86	2,348.41	2,542.85	2,737.76

* Excise duty for March 2018 was on sales up to June 2017, following which GST became applicable

4. Foreign investments or collaborations, if any:

None

II. Information about Mr. Praveen Gupta:

1. Background details

Currently, Mr. Praveen Gupta is an Executive President, at Balrampur Chini Mills Limited (the "Company" / "BCML"). With 40 years of work experience of which 14 have been spent with the Company, Mr. Gupta has spearheaded operations, expansion and new technologies implementation in various leadership roles. Quintessentially a people's person, he has led consensus driven growth across categories and organisations. He has been essaying a chief role in the ongoing migration of BCML towards the more value-accretive segments.

Following early short stints at Telco, Usha Breco and Hindustan Development Corporation, Mr. Gupta entered the Sugar industry in 1993 when he joined as Vice President at Upper Ganges Sugars and Industries Ltd. He joined the Company after 15 years at Upper Ganges. Mr. Gupta earned his M.B.A. from IIM, Kolkata in 1984 after completing his Mechanical Engineering from the Delhi College of Engineering, Delhi. He is also an alumnus of the Birla Public School, Pilani.

2. **Past Remuneration**

Mr. Gupta has not drawn any remuneration during the Financial Year 2021-22 or earlier in the capacity of a director of the Company.

He was in receipt of ₹91.33 Lakhs (including perquisites) for the Financial Year 2021-22 on account of Remuneration in the Capacity of Executive President.

3. **Recognition or awards**

None

4. **Job Profile and his suitability**

Mr. Gupta has been engaged in various activities related to the operations of the Company and has headed various Units of the Company. Hence he can now play a crucial role for driving technical excellence across the Units. As a Whole-time Director, his dedication and holistic involvement for the operations of the Company is necessitated. The said remuneration to Mr. Gupta is justified having regard to the responsibilities, which he is called upon to bear as a Whole-time Director of the Company.

5. **Remuneration proposed**

As detailed above in the Explanatory Statement.

6. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.**

Mr. Praveen Gupta has contributed significantly in the operations of the Company and same is elaborated above. The proposed remuneration is also based on benchmarking standards with respect to size of the operations of the Company and the profile of the position. The Nomination & Remuneration Committee and the Board therefore, considers that the proposed remuneration is justified.

7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director**

Apart from receiving remuneration, as stated above, Mr. Praveen Gupta does not have any other pecuniary relationship with the Company or with any Director or managerial personnel of the Company.

III. Other information

1. **Reasons for loss or inadequate profits:**

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

2. **Steps taken or proposed to be taken for improvement:**

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

3. **Expected increase in productivity and profits in measurable terms:**

The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

IV. Disclosures

Disclosures pursuant to Schedule V to the Act are given in the Explanatory Statement hereinbefore and in the Corporate Governance Report which is annexed to the Board's Report.

Other disclosures required under the Act, Secretarial Standard 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) have been provided as an Annexure to this Notice.

The Board, therefore, recommends the Ordinary and Special Resolution as set out at Item Nos. 7 and 8, respectively of this Notice for approval by the Members.

Mr. Praveen Gupta is concerned or interested in the Resolution as it relates to his appointment and/or remuneration payable to him. None of the other Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the Resolution.

Place: Kolkata
Date: 30th June, 2022

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No: A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

Annexure to the Notice

As per the requirement of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Clause 1.2.5 of the Secretarial Standard – 2 (Revised) as issued by the Institute of Company Secretaries of India, a statement containing the requisite details of the concerned Directors is given below:

Name	Mr. Naresh Dayal	Mr. Praveen Gupta
DIN	03059141	09651564
Date of Birth	14th September, 1949	25th March, 1959
Age	72 years	63 years
Profile and Experience	Mr. Naresh Dayal holds a Masters' degree in Arts from University of Delhi and in Professional Studies, Agriculture from University of Cornell, USA. He is a former IAS officer who has worked with the Government of India for 37 years in various positions at the state and national levels. As Secretary to the Hon'ble Ministry of Health and Family Welfare, Mr. Dayal was responsible, among other things, for all policies and programmes in the realms of Public Health, supervising the National Health Authorities, assessing and devising the policies for the Country's manpower requirements in health.	With 40 years of work experience of which 14 have been spent with Balrampur Chini Mills Limited, Mr. Praveen Gupta has spearheaded operations, expansion and new technologies implementation in various leadership roles. Quintessentially a people's person, he has led consensus driven growth across categories and organisations. He has been essaying a chief role in the ongoing migration of BCML towards the more value-accretive segments. He will be leading Corporate Technical Team, to build technical excellence around engineering & process functions that may drive accountability for business results, with focus on standardization & streamlining of operations & maintenance processes across all manufacturing units of BCML.
Qualification	M.A. from University of Delhi and Masters in Professional Studies, Agriculture, from University of Cornell, USA.	M. B. A. from Indian Institute of Management, Kolkata and Bachelors in Engineering in Mechanical Engineering from Delhi College of Engineering.
Expertise in specific functional area	Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Economics; Statutory Compliance; Business Planning and Strategy; Human Resource Management; Corporate Affairs; Agri -Research & Development; Interpersonal Relations and Leadership	Statutory Compliance, Business Planning and Strategy, Human Resource Management, Engineering and Technology, Industry Experience, Industry Knowledge, Interpersonal Relations and Leadership
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Appointed as a Non-Executive Non-Independent Director with effect from 15th November, 2016. His office is liable to retire by rotation. He is entitled to receive commission and sitting fees as per the provisions of the Companies Act, 2013 (as amended).	As provided in the Explanatory Statement.

Remuneration last drawn by such person, if applicable	₹21.60 Lakhs for Financial Year 2021-22, consisting of Sitting Fees of ₹5.60 Lakhs and Commission of ₹16.00 Lakhs.	Mr. Gupta has not drawn any remuneration during the Financial Year 2021-22 or earlier in the capacity of a Director of the Company. Mr. Gupta was in receipt of ₹91.33 Lakhs (including perquisites) for the Financial Year 2021-22 on account of Remuneration in the Capacity of Executive President.
Remuneration sought to be paid	In terms of the Special Resolution passed by the Shareholders at the AGM held on 30th August, 2019.	As provided in the explanatory statement.
Date of first appointment on the Board	15th November, 2016	1st July, 2022
Membership/Chairmanship of Committees of the Board of the Company	Chairman of Corporate Social Responsibility Committee, Member of Audit Committee, Risk Management Committee and Nomination & Remuneration Committee	Environment, Social and Governance (ESG) Committee (w.e.f. 1st July, 2022)
Other Directorships and Membership / Chairmanship of Committees of other Boards	None	None
Listed entities from which resigned in the past three years	Nil	Nil
No. of shares held in the Company	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None
No. of Meetings of the Board attended during the year	7 out of 7 during the year 2021-2022	Not applicable

Place: Kolkata
Date: 30th June, 2022

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No: A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020