



# 31<sup>ST</sup> ANNUAL REPORT 2022



INDIAN SUCROSE LTD.

**SUGAR | MOLASSES  
| BAGASSE | POWER**



# Lip Smacking **DESSERTS**

A Dessert made with  
**Good Quality Sugar is Always Better**







Choose from the

**VARIETY OF PRODUCTS**



FOR THE

**SWEETEST FAMILY TIME**







# YADU SUGAR



**Trusted by lakhs of farmers in North India.**

Indian Sucrose Limited is a fast growing sugar manufacturer. We're processing and packing sugar for private labels across the country and are also available both online & offline with our brands Yadu Sugar and Sweeto.

## Some of our prestigious clients



& Many More...

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS:**

Mr. Kunal Yadav	Chairman & Executive Director
Mrs. Geeta Sharma	Non-Executive Director
Mr. Jaitender Kumar	Non – Executive Director
Mr. Neeraj Bansal	Independent Director
Mr. Ashish Singh Yadav	Independent Director
Mr. Shriram Agrawal	Independent Director
Mr. Abhay Upadhyay	Independent Director

**KEY MANAGERIAL PERSONNEL:**

Mr. Ravinder Sharma	Chief Financial Officer
Mrs. Anamika Raju	Company Secretary

**AUDITORS:**

M/s SSVS& CO.  
Chartered Accountants

**BANKERS:**

Punjab National Bank

**REGISTERED OFFICE & WORKS:**

INDIAN SUCROSE LIMITED  
CIN: L15424PB1990PLC010903  
Phone: +91-9115110651/52,  
Email Id: [isl.investor@yaducorporation.com](mailto:isl.investor@yaducorporation.com)  
Website: [www.muksug.in](http://www.muksug.in)

**REGISTER AND TRANSFER AGENTS:**

MCS share Transfer Agent Limited  
F-65, 1<sup>st</sup> Floor, Okhla 1,  
Okhla, Industrial Area, New Delhi - 110020  
Tel No: 011-41406149  
E-mail id: [helpdeskreply@mcsregistrars.com](mailto:helpdeskreply@mcsregistrars.com)  
Website: [www.mcsregistrars.com](http://www.mcsregistrars.com)



**INDIAN SUCROSE LIMITED**

<b>INDEX</b>		
<b>S. NO.</b>	<b>MAIN CONTENTS</b>	<b>PAGE</b>
1.	Corporate Information	1
2.	Chairman Remarks	3-4
3.	Board's Report	5-30
4.	Management discussion Analysis Report (MDR)	31-40
5.	Corporate Governance Report	41-68
6.	Auditor's Report	69-83
7.	Balance Sheet	84-84
8.	Statement of Profit and Loss	85-85
9.	Cash Flow Statement	86-86
10.	Notes on Financial Statements	87-128
11.	Impact of Audit Qualification	129
12.	Computation of Corporate Social Responsibility	130

Chairman's Speech



Namaste!!!

I welcome everyone to the 31<sup>st</sup> Annual General Meeting of Indian Sucrose Limited on behalf of the Board Members of Company, I congratulate all the shareholders for their unwavering support extended to the Company throughout the Year. The Company has performed immensely great in the financial year 2021-22 having aftermath of Covid-19 pandemic. This year we as a company are focused more on the growth of our Stakeholders.

we are once again meeting virtually as the continued impact of the Covid-19 pandemic necessitates adoption of safety measures in order to minimize any risk to the members of the company.

Let me now take this opportunity to apprise you all of the key highlights of the last financial year and also touch upon some of the key initiatives undertaken by our company as sugar industry remains a key driver of economic empowerment in the rural belt of our country hence in later half of previous year our company had planned expansion of the existing Sugar Mill plant at Mukerian from 5000 TCD to 9000 TCD in 1<sup>st</sup> Phase and we are pleased to announce that this target has been achieved with double refined process and to expand our existing power plant from 19.5 MW to 40 MW subject to approval from the Punjab Pollution



## **INDIAN SUCROSE LIMITED**

Control Board and we put to use of 40 MW after trials. The Company is in process to install 120 KLD ethanol plant alongside of sugar factory, various approval and certificates are in place, however we are waiting for financial closure and Punjab excise department approval before installation of plant.

Recently Industry Body ISMA has reported consistent rise in sugar export in last 3 season from 5.95 million tons in 2019-2020 to 9 million tons in 2021-22. Further India has also achieved on an average 9.8% average ethanol blending throughout 2021-22, our target by 2025 is to achieve 20% ethanol blending with gasoline. Since there was a sharp increase in oil price in the later part of the financial year on account of Russia-Ukraine war, millers have actually diverted the cane to ethanol which would have been conventionally gone into additional sugar production. This would not only reduce the dependence of Industry on crude oil but it will also help in reduction of Air Pollution.

Further Coming to the Cane production, The Indian Farmer is producing more cane than ever which in turn is helping India to produce more Sugar than ever, this reality is the principal driver of the industry's growth. I must mention that there was a time when millers would ask farmers to restrict the cane production in fear that excess cane production would moderate sugar realizations and extend the sector losses. In last financial year even though the domestic sugar output was high it did not affect the realization value of the sector, which indicates the success of value driven model that enhances the wealth of stakeholders.

The improvement in our performance was reflected in the evolving revenue contribution from the sugar business as there is 3.65% increase in the revenue of the company as compared to last year. Our outlook for the upcoming years is also positive for sugar industry as there is high demand of Sugar in both National and International Market.

Towards the end, I take this opportunity to really commend the dedication and zeal of all our employees who strived through a difficult period and ensured that as an organization we surmounted all the challenges and continued to take our organization forward. I would also like to thank all my colleagues on the Board for their continued support in all our endeavors.

Finally, I thank all our shareholders for their persistent trust and confidence on team Indian Sucrose Limited.

**Your sincerely,**

**Kunal Yadav**  
**Managing Director**

**DIRECTORS' REPORT**

**To,  
The Members,**

Your Directors are pleased to present the 31<sup>st</sup> Annual Report together with the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2022.

**FINANCIAL PERFORMANCE**

The Audited Financial Statements of the Company as on 31<sup>st</sup> March, 2022 are prepared in accordance with the relevant applicable IND AS and provisions of the Companies Act, 2013.

The summarized financial highlight is depicted below.

**(Rs. in Lakhs)**

<b>Particulars</b>	<b>2021-2022</b>	<b>2020-2021</b>
Revenue from Operations	44276.76	43058.01
Other Income	731.06	363.36
Total Income	45007.81	43421.37
Total Expenses	40973.02	40364.53
Profit/(Loss) before Finance cost, Depreciation & Amortization and Tax Expenses	6630.92	5626.35
Finance Cost	1901.17	1811.90
Depreciation & Amortization	694.97	757.78
Profit/(Loss) before Tax	4034.79	3056.84
(i) Provision for Taxation (Current)	1436.22	878.55
(ii) Deferred Tax	(1140.41)	48.13
(iii) Provision for tax of earlier years	11.58	(107.02)
Profit/ (Loss) after Tax	3701.51	2175.15

**PERFORMANCE REVIEW**

During the year under review, your Company has achieved turnover of Rs. 44276.76 Lakhs as compared to previous year turnover of Rs. 43058.01 Lakhs and has earned net profit after Tax of Rs. 3701.51 Lakhs as compared to previous year net profit after Tax of Rs. 2175.15 Lakhs.

During the year under review, your company has crushed 9395400.66 QTLS of Sugarcane and produced 982860 QTLS of Sugar as compared to previous year crushing of 9884382.37 QTLS of sugarcane and production of 1013754 bags of Sugar.

The capacity utilization of the plant during the year under review was 79.80 and the average recovery was 10.48% as compared to capacity utilization of 86.14% and average recovery of 10.30 % in the previous year.



**DIVIDEND & TRANSFER TO RESERVES**

No amount is proposed to be transferred to the reserve(s) and your Directors have not recommended payment of any dividend for the year under review.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY**

During the year, there was no change in the nature of business of the Company.

**MATERIAL CHANGES AND COMMITMENT**

There is no change in the nature of business of the company during the year.

There is no material change or commitment affecting the financial position of the company that has occurred since 31<sup>st</sup> March 2022 to the date of this report.

**SHARE CAPITAL**

During the year under review, the Authorized Share Capital of the Company has been increased from INR 25,00,00,000/- (Rupees Twenty-Five Crores Only) divided into 1,80,00,000 (One Crore Eighty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each and 70,00,000 (Seventy Lakh) Preference Shares of Rs. 10/- (Rupees Ten) each to INR 40,00,00,000/- (Rupees Forty Crores Only) divided into 3,30,00,000 (Three Crore Thirty Lakh only) Equity Shares of Rs. 10/- (Rupees Ten) each and 70,00,000 (Seventy Lakh) Preference Shares of Rs. 10/- (Rupees Ten) each by creation of additional 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each ranking pari-passu in all respects with existing Equity Shares of the Company.

During the year under review, the paid up Share Capital of the Company has been increased from INR 15,46,18,070/- (Rupees fifteen crores forty-six lakh eighteen thousand seventy rupees only) to INR 17,05,18,070/- (Rupees Seventeen Crores Five lakh eighteen thousand seventy only) due to conversion of warrants issued through fully convertible warrants on preferential basis to the persons belonging to “promoter and promoter group category”.

**DEPOSITS**

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

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

There was no amount required to be transferred to IEPF.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

## INDIAN SUCROSE LIMITED

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### **CORPORATE SOCIAL RESPONSIBILITY**

CSR is a company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods. The Company believes in conducting its business responsibly, fairly and in a most transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives. This policy has been formally formulated and adopted in terms of Section 135 of the Act and Rules framed there under to undertake CSR activities.

The Company has always made consistent efforts to maintain an active corporate social responsibility portfolio.

Composition of Corporate Social Responsibility Committee (CSR Committee):

S. No.	Name	Chairman/Member
1.	Abhay Upadhyay	Chairperson
2.	Geeta Sharma	Member
3.	Jaitender Kumar	Member

During the reporting period,

The responsibilities of the CSR Committee include:

- 1) Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken by the Company in areas or subject, specified in schedule VII
- 2) Recommending the amount of expenditure for the CSR activities.
- 3) Monitoring CSR activities from time to time.

As per the provisions of Companies Act, 2013, all companies having a net worth of Rs. 500 crore or more, or a turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crore or more during the immediately preceding financial year are required to constitute a CSR committee of the Board of Directors comprising three or more directors, at least one of whom should be an independent director. All such companies are required to spend at least 2% of the average net profits of their three immediately preceding financial years on CSR-related activities.

Accordingly, the company was invested Rs. 40.80 Lacs towards CSR activities during the financial year as required to invest pursuant to specified Schedule VII of the Companies Act, 2013. The Annual Report on corporate social responsibility activities is attached and marked as **Annexure –A** and forms part of this report.

During the Financial Year 2021-22 in view of various amendments brought out by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, Corporate Social Responsibility Policy was revised to incorporate the amendments, The Corporate Social Responsibility policy of the company can be accessed at [www.muksug.in>about us> policy](http://www.muksug.in/about-us/policy).

## **HUMAN RESOURCES**

Human resources are the most important resource and your directors believe in to give them their due weight age for their crucial role-playing in the overall progress of the organization. The relationship between the management and the staffs/workers has been comfortable and cordial during the year.

## **RISK MANAGEMENT**

The Company has developed and implemented a Risk Management Policy. The policy identifies the threat of such events as “Risks”, which if occurred will adversely affect value to shareholders, ability of Company to achieve objectives, ability to implement business strategies, the manner in which the Company operates and reputation. Such risks are categorized into Strategic Risks, Operating Risks and Regulatory Risks.

The framework defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Audit Committee reviews the identified Risks and its mitigation measures annually.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit department with adequate experience and expertise in internal controls, operating system and procedures. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board of Directors from time to time.

## **VIGIL MECHANISM**

The Company has a vigil mechanism Policy to deal with instance of fraud and mismanagement, if any. The vigil mechanism Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The policy has been uploaded in the website of the company at [www.muksug.in.>about us>policy](http://www.muksug.in.>about us>policy).

## **SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES COMPANIES**

The Company does not have any subsidiary, joint venture or associate companies within the meaning of Sections 2(6) and 2(87) of the Companies Act, 2013 as on 31st March 2022. The Company has framed a policy for determining material subsidiaries, which has been uploaded on website of the company at [www.muksug.in.>about us>policy](http://www.muksug.in.>about us>policy).

## **CHANGES IN BOARD AND KMP**

### **(a) Appointment/Resignation of Directors**

(i) Board of Directors in their Meeting held on 26<sup>th</sup> August, 2022 appointed Mr. Ashish Singh Yadav (DIN: 09265468) as an Additional Director in the capacity of Non – Executive Independent Director with immediate effect to hold office till the conclusion of 31<sup>st</sup> Annual General Meeting of the Company to be held in the year 2022. The Nomination & Remuneration committee considered and recommended the appointment of Mr. Ashish Singh Yadav as Non – Executive Independent Director for a term of five consecutive years up to 25<sup>th</sup> August, 2027 on Board/committee(s) which was approved by the Board of Directors at its meeting held on 31<sup>st</sup> August, 2022. The proposal for re-appointment of Mr. Ashish Singh Yadav will be placed before the members for its approval in the ensuing Annual General Meeting. Brief resume of Mr. Ashish Singh Yadav is circulated to the members as part of the AGM Notice.

(ii) Mr. Abhay Upadhyay, Non-Executive Independent Director, ceased to be director of the Company consequent to his resignation effective from 26<sup>th</sup> August, 2022. due to involvement with some other projects.

During the Financial Year 2021-22 there is no Appointment/Resignation in the Board.

### **(b) Retirement by Rotation**

Pursuant to the provisions of Section 152 of the Act, Mrs. Geeta Sharma (DIN: 08905164), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re – appointment. The Board of Directors recommends her re – appointment at the forthcoming Annual General Meeting. Brief resume of Mrs. Geeta Sharma is circulated to the members as part of the AGM Notice.

## **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its performance as well as that of its Committees and individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Remuneration Policy is available on the website of the Company at [www.muksug.in>about us > policy](http://www.muksug.in>about us > policy).

## **FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS**

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying it in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company has through



presentations, at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Sugar Industry as a whole. The details of such familiarization programs for Independent Directors are explained in the Corporate Governance Report and posted on the website of the Company at [www.muksug.in](http://www.muksug.in) >about us>policy.

**DECLARATION OF INDEPENDENCE**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have complied with the Code for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

Eight (8) Meetings of the Board of Directors were held during the financial year ended 31st March, 2022. The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the Board and Committee(s) meetings are provided in the Corporate Governance Report forming part of this Report.

**COMMITTEES OF THE BOARD**



During the year, the details of composition of the Committees of the Board of Directors are as under: -

**a. Audit Committee**

S. No.	Name	Designation	Category
1.	Neeraj Bansal	Chairperson	Non-Executive - Independent Director
2.	Shriram Agrawal	Member	Non-Executive - Independent Director
3.	Kunal Yadav	Member	Executive Director
4.	*Abhay Upadhay	Member	Non-Executive - Independent Director

## INDIAN SUCROSE LIMITED

\* Mr. Abhay Upadhyay resigned from the post of membership of the committee on 26.08.2022, Mr. Ashish Singh Yadav will act as member of the Committee w.e.f. 26.08.2022, appointed as non – executive, Independent director at the board meeting of the company held on 26.08.2022, to hold office till the conclusion of 31<sup>st</sup> AGM of the Company.

The terms of reference of the Audit Committee has been furnished in the Corporate Governance Report. All the recommendation made by the Audit Committee during the year were accepted by the Board.

### b. Nomination and Remuneration Committee

S. No.	Name	Chairman/Member	Category
1.	*Abhay Upadhyay	Chairperson	Non-Executive - Independent Director
2.	Neeraj Bansal	Member	Non-Executive - Independent Director
3.	Shriram Agrawal	Member	Non-Executive - Independent Director
4.	Geeta Sharma	Member	Non-Executive Non-Independent Director

\*Mr. Abhay Upadhyay resigned from the post of Chairmanship of the committee on 26.08.2022, Mr. Ashish Singh Yadav will act as chairman of the Committee w.e.f. 26.08.2022, appointed as non – executive, Independent director at the board meeting of the company held on 26.08.2022, to hold office till the conclusion of 31<sup>st</sup> AGM of the Company.

The terms of reference of the Nomination & Remuneration Committee has been furnished in the Corporate Governance Report. All the recommendation made by the Nomination & Remuneration Committee during the year were accepted by the Board.

### c. Stakeholders Relationship Committee

S. No.	Name	Chairman/Member	Category
1.	*Abhay Upadhyay	Chairperson	Non-Executive - Independent Director
2.	Geeta Sharma	Member	Non-Executive Non-Independent Director
3.	Jaitendra Kumar	Member	Non – Executive Non-Independent Director

\* Mr. Abhay Upadhyay resigned from the post of Chairmanship of the committee on 26.08.2022, Mr. Ashish Singh Yadav will act as chairman of the Committee w.e.f. 26.08.2022, appointed as non – executive, Independent director at the board meeting of the company held on 26.08.2022, to hold office till the conclusion of 31<sup>st</sup> AGM of the Company.

The terms of reference of the Stakeholders Relationship Committee has been furnished in the Corporate Governance Report.

### d. Corporate Social Responsibility Committee

S.No.	Name	Chairman/Member	Category
1.	*Abhay Upadhyay	Chairperson	Non-Executive - Independent Director
2.	Geeta Sharma	Member	Non-Executive Non-Independent Director
3.	Jaitender Kumar	Member	Non – Executive Non-Independent Director

## **INDIAN SUCROSE LIMITED**

\* Mr. Abhay Upadhyay resigned from the post of Chairmanship of the committee on 26.08.2022, Mr. Ashish Singh Yadav will act as chairman of the Committee w.e.f. 26.08.2022, appointed as non – executive, Independent director at the board meeting of the company held on 26.08.2022, to hold office till the conclusion of 31<sup>st</sup> AGM of the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors selected such accounting policies and applied them consistently and made judgments and estimates that were 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 and loss of the company for that period;
- (c) the directors took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors prepared the annual accounts on a going concern basis;
- (e) the directors laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and operating effectively;
- (f) the directors devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All Related Party Transactions were placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which were repetitive in nature except when the need for them could not be foreseen in advance.

All related party transactions entered during the year under review were in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

The particulars of such transactions are disclosed in the notes to the financial statements. The nature of related party transactions require disclosure in AOC-2, the same is attached with this Report.

The Company has formulated a policy on materiality and on dealing with Related Party Transactions and same can be accessed at [www.muksug.in>about us>policy](http://www.muksug.in/about-us/policy).

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review, there were no such orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

**AUDITORS AND AUDITOR'S REPORT**

**A) Statutory Auditors**

M/s SSVS & Co., Chartered Accountants (FRN: 021648C), appointed as a statutory Auditor of the Company for a period of five years, at the Annual General Meeting held on September 30, 2021 from the conclusion of 30th AGM till the conclusion of the 35th AGM.

The Report given by the Statutory Auditors M/s SSVS & Co., on the financial statements along with the notes to the financial statements of the Company for the financial year 2021-22 is forming part of the Annual Report. The observations and comments given by Auditors in their report read together with notes to Accounts are self-explanatory and hence do not call for any further comments under section 134 of the Act. However, the clarification/explanation on the qualifications in the Auditors' Report are as under: -

(i)

<b>Auditor's Remarks</b>	<b>Management Remarks</b>
The Company is Holding investment in unquoted equity shares of Companies. As per IND AS – 32 “financial Instrument Presentation” these financial instruments should be presented at fair value which is presently not available. Accordingly, the same has been presented at the carrying cost of such shares based on their audited accounts as on 31/03/2021.	Fair Valuation of investment is not available because financial statement of the respective Companies could not be prepared within the stipulated time due to less availability of staff effected through Covid.
The Company has not revalued any of its Property, Plant and Equipment (including right –of –use assets) and intangible assets during the year.	Revaluation of assets being done every three years as per Banking Regulation, Accordingly, the revaluation of assets of the Company will be done in the year 2023.
According to the information and explanations given to us, the disputed statutory dues of Sales tax, Excise duty and Income Tax aggregating to Rs. 946.10 Lakhs that have not been deposited	As explained by the Statutory auditor's in their Auditors' Report the disputes are pending with various forum, once the dispute will settle or the instructions will be issued by the Forum, the Company shall act, accordingly.
In our opinion and according to the information and explanations company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender except the following as stated in the Auditors' Report.	The Company has repaid all dues within the stipulated time period as prescribed under RBI Guidelines, appertain to repayment of Loans and /or payment of interest thereon.



**(b) Cost Auditor**

M/s Khushwinder Kumar & Co., Cost Accountants, Jalandhar (Firm Registration No. 100123) carried out the cost audit for applicable business during the year. The Board of Directors has appointed them as Cost Auditors for the financial year 2022-23. The remuneration payable to the Cost Auditors is required to be placed before the members in a general meeting for their ratification. Accordingly, Resolution seeking members' ratification for the remuneration payable to M/s Khushwinder Kumar & Co., Cost Auditors is included as item No. 3 of the notice convening the Annual General Meeting.

**(c) Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Lalan Kumar Singh (FCS: 7837, COP: 8544), Company Secretary in practice, Delhi to conduct the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report is annexed herewith as **Annexure - B**.

**CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS**

The Corporate Governance Report and Management Discussion & Analysis, which form part of this Report, are set out as separate Annexures together with the Certificate from the auditors of the company regarding compliance of conditions of Corporate Governance as stipulated in Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

**PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect to the remuneration of the employees of the Company, are not applicable to the company.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure-D** to this report.

**LISTING**

The shares of the company have been listed in Bombay Stock Exchange Limited (BSE Limited).

**FRAUD**

There was no case of any fraud reported during the financial year under report.

**SECRETARIAL STANDARDS**

The Board of Directors hereby affirms that your Company has adhered to the Secretarial Standards as prescribed by the Institute of Company Secretaries of India during the financial year under report.

**PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

In terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has an internal complaints committee in place, which registers the complaints made by any aggrieved woman for upholding the Justice.

**ENHANCING SHAREHOLDERS VALUE**

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socioeconomic and environmental dimensions and contribute to sustainable growth and development.

**ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for the assistance and co-operation received from the Company's customers, vendors, bankers, auditors, investors, Government authorities and stock exchanges during the year under review. Your Directors place on record their appreciation of the contributions made by employees at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board  
**Indian Sucrose Limited**

Date: 31.08.2022  
Place: Mukerian

**(Kunal Yadav)**  
Managing Director  
(DIN: 01338110)

**(Jaitender Kumar)**  
Director  
(DIN: 08164429)

## INDIAN SUCROSE LIMITED

### Annexure – A to the Directors' Report

The Annual Report on CSR Activities

For the Financial Year 2021-22

#### 1. Brief outline on CSR Policy of the Company.

The Board of Directors in its meeting held on 23.08.2016 constituted a CSR Committee of the Board. This policy has been formally formulated and adopted in terms of Section 135 of the Act and Rules framed there under to undertake CSR activities. CSR is a company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods. The Company believes in conducting its business responsibility, fairly and in a most transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives.

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	
			Held	Attended
1.	Abhay Upadhyay	Chairperson	2	2
2.	Geeta Sharma	Member	2	2
3.	Jaitendra Kumar	Member	2	2

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. – <http://www.muksug.in/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). – **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	0.00	0.00
2	2019-20	0.00	0.00
3	2018-19	0.00	0.00
	<b>Total</b>	0.00	0.00

**INDIAN SUCROSE LIMITED**

6. Average net profit of the company as per section 135(5).- **Rs. 19,25,93,424/-**

7. (a) Two percent of average net profit of the company as per section 135(5) – **Rs. 38,51,868/-**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - **NIL**

(c) Amount required to be set off for the financial year, if any - **NIL**

(d) Total CSR obligation for the financial year (7a+7b-7c) – **Rs. 38,51,868.47/-**

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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.
40,79,918/-	<b>0</b>	-	-	<b>0</b>	-

(b) Details of CSR amount spent against ongoing projects for the financial year - **NIL**

(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 Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.		IV	YES	Punjab	Hoshiarpur	39,38,918	YES	-	-
2.		XII	YES	Punjab	Hoshiarpur	1,41,000	YES	-	-
	<b>Total</b>					40,79,918			

(d) Amount spent in Administrative Overheads - **NIL**

(e) Amount spent on Impact Assessment, if applicable – **N.A**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - **Rs. 40,79,918/-**



**INDIAN SUCROSE LIMITED**

(g) Excess amount for set off, if any

<b>Sl. No.</b>	<b>Particular</b>	<b>Amount (in Rs.)</b>
(i)	Two percent of average net profit of the company as per section 135(5)	38,51,868
(ii)	Total amount spent for the Financial Year	40,79,918
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,28,050
(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)]	2,28,050

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

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) - **NIL**

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**). – **N.A**

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

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

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

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

<p>Kunal Yadav (Managing Director)</p> <p>Mukerian Date- 26.08.2022</p>	<p>Abhay Upadhyay (Chairman, CSR Committee).</p>
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**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022**  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of  
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Indian Sucrose Limited**  
(CIN: L15424PB1990PLC010903)  
Regd. Off: G.T. Road,  
Mukerian, Distt. Hoshiarpur,  
Punjab - 144211

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indian Sucrose Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided to me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID- 19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable during audit period as no foreign exchange earnings or outgo was recorded)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

## INDIAN SUCROSE LIMITED

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: **(Not applicable to the company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the company during the Audit Period)** and
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the company during the Audit Period)**
- (h) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

Other Laws specifically applicable to this Company is as follows:

- (a) Factories Act, 1948;
- (b) Industries (Development & Regulation) Act, 1951;
- (c) The Indian Electricity Act, 2003;
- (d) The Food Safety and Standard Act, 2006;
- (e) Indian Boiler Act, 1923;
- (f) Essential Commodities Act, 1955;
- (g) Sugar Cess Act, 1982;
- (h) Explosive Act, 1884/Rules 1983
- (i) The Sugarcane (Control) Order, 1966
- (j) The Sugar (Control) Order, 1966

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Secretarial Standard was complied with during audit period.)**

**During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Circulars, Notification, Guidelines, standards, etc. mentioned above:**

The Listing Agreement entered into by the Company with the Stock Exchanges and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). **(The shares of the Company are listed with the BSE Limited. The Company has paid the Annual Listing fees within the stipulated time period as prescribed by BSE Ltd.)**

## INDIAN SUCROSE LIMITED

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. There were no Changes made in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to 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.

During the Audit Period all the Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

We further report that during the audit period, the company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred law, rules, regulations, guidelines, standards etc. referred to above:

- 1) the Authorized Share Capital of the Company has been increased from INR 25,00,00,000/- (Rupees Twenty-Five Crores Only) divided into 1,80,00,000 (One Crore Eighty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each and 70,00,000 (Seventy Lakh) Preference Shares of Rs. 10/- (Rupees Ten) each to INR 40,00,00,000/- (Rupees Forty Crores Only) divided into 3,30,00,000 (Three Crore Thirty Lakh only) Equity Shares of Rs. 10/- (Rupees Ten) each and 70,00,000 (Seventy Lakh) Preference Shares of Rs. 10/- (Rupees Ten) each by creation of additional 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each ranking pari-passu in all respects with existing Equity Shares of the Company.
- 2) The paid up Share Capital of the Company has been increased from INR 15,46,18,070/- (Rupees fifteen crores forty-six lakh eighteen thousand seventy rupees only) to INR 17,05,18,070/- (Rupees Seventeen Crores Five lakh eighteen thousand seventy only) due to conversion of warrants issued through fully convertible warrants on preferential basis to the persons belonging to "promoter and promoter group category".
- 3) The Company has adopted new set of Article of Association, in align the same with the Companies Act, 2013.
- 4) M/s. SSVS & Co. Chartered Accountants, (Firm's Registration No. 021648C), appointed as Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of the thirtieth Annual General Meeting till the conclusion of the Thirty-fifth Annual General Meeting, in place of M/s. R. Dewan & Co. Chartered Accountants, (Firm's Registrations No. 017883N) whose tenure expires at the Thirtieth Annual General Meeting, at such remuneration plus reimbursement of actual out of pocket expenses, as may be incurred by them in connection with the audit of accounts of the Company, as may be mutually agreed between the Board of Directors of the Company and the said Auditors."
- 5) Office of the Registrar of Companies, Punjab and Chandigarh, issued order under section 206(1) of the Companies Act, 2013, pursuant to which the Company has submitted the satisfactory reply to the Registrar of Companies, Punjab and Chandigarh, within the stipulated time period. Proceedings are still in process.
- 6) Board of Directors in their Meeting held on 26<sup>th</sup> August, 2022 appointed Mr. Ashish Singh Yadav (DIN: 09265468) as an Additional Director in the capacity of Non – Executive Independent Director with immediate effect to hold office till the conclusion of 31<sup>st</sup> Annual General Meeting of the Company to be



**INDIAN SUCROSE LIMITED**

held in the year 2022.. The proposal for re-appointment of Mr. Ashish Singh Yadav will be placed before the members for its approval in the ensuing General Meeting.

7) Mr. Abhay Upadhyay, Non-Executive Independent Director, ceased to be director of the Company consequent to his resignation effective from 26<sup>th</sup> August, 2022. due to involvement with some other projects.

**For L K Singh & Associates  
Company Secretaries**

**Place: Delhi  
Date: 29<sup>th</sup> August 2022  
UDIN: F007837D000865947**

**(Lalan Kumar Singh)  
FCS No.:7837  
CP. No.8544**

**Note:** This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.

To,  
The Members,  
**Indian Sucrose Limited**  
(CIN: L15424PB1990PLC010903)  
Regd. Off: G.T. Road,  
Mukerian, Distt. Hoshiarpur,  
Punjab - 144211

Dear Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2022.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. 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 L K Singh & Associates  
Company Secretaries

Place: Delhi  
Date: 29<sup>th</sup> August 2022  
UDIN: F007837D000865947

(Lalan Kumar Singh)  
FCS No.:7837  
CP. No.8544

**Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.**

**A CONSERVATION OF ENERGY:**



The Company’s operations involve low energy consumption. Energy conservation is first priority at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. Uses of natural lights are resorted at factory premises to save energy. Wherever possible, energy conservation measures have been implemented. Efforts to conserve and optimize the use of energy will continue. The Company has installed most modern equipment’s in the plant and is able to save and minimize energy consumption.

**Power and Fuel Consumption:**

**Rs. In Lacs**

		<b>2021-2022</b>	<b>2020-2021</b>
1(a)	<b>Electricity</b>		
	Unit (Kwh)	1412822	1251552
	Total Amount	166.43	137.35
	Rate/Unit(in Rs.)	11.78	10.97
(b)	<b>Own Generation</b>		
	<b>(i) through Diesel generator</b>		
	Unit per ltr of diesel oil (kwh)	3.86 Unit Per Ltr	3.81 Unit Per Ltr
	Total unit Generated	(136192)	(109714)
	Total Amount	30.82	38.15
	Rate/Unit(in Rs.)	22.63	3.81
	<b>(ii)through stream turbine</b>		
	Unit per ton of fuel	45300088	48281220

## INDIAN SUCROSE LIMITED

	Total Amount	531.42	893.20
	Rate/Unit (in Rs.) (being generated out of stream required for process)	6.82	6.66

### B TECHNOLOGY ABSORPTION:

#### Technology absorption, adaptations and innovation:

(i) the effort made towards technology absorption – The company has adopted latest technology in the plant to maximize production, better quality, and to minimize consumption of energy. The Company has implemented its own effluent treatment plant of latest technology.

(ii) The Benefit derived like product improvement, cost reduction, product development or import substitution.

(iii) Technology imported during the year - NIL

### C FOREIGN EXCHANGE EARNINGS AND OUTGO:



#### Total Foreign Exchange used and earned:

(Rs. In Lakhs)

Particulars	2021-22	2020-21
Total foreign exchange used	NIL	NIL
Total foreign exchange earned	NIL	NIL

For and on behalf of the Board  
**Indian Sucrose Limited**

Date: 31.08.2022  
Place: Mukerian

(Kunal Yadav)  
Managing Director  
(DIN: 01338110)

(Jaitender Kumar)  
Director  
(DIN: 08164429)

**INDIAN SUCROSE LIMITED**

**Annexure – D to the Directors' Report**

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

- i. **The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year ("FY")**

<b>Name of Director &amp; Designation</b>	<b>Median (in Rs.)</b>	<b>Remuneration (in Rs.) 2021- 2022</b>	<b>Ratio</b>
<b>Kunal Yadav – Managing Director</b>	72,00,000	1,44,00,000.00	7.17%
<b>Abhay Upadhyay – Independent Director</b>	N.A	90,000	NIL
<b>Jaitender Kumar Non-Executive Non-Independent Director</b>	N.A	90,000	NIL
<b>Geeta Sharma – Non-Executive Non-Independent Director</b>	N.A	60,000	NIL
<b>Neeraj Bansal – Independent Director</b>	N.A	90,000	NIL
<b>Shriram Agrawal – Independent Director</b>	N.A	90,000	NIL

**Notes:**

- Median is derived including remuneration paid to Mr. Kunal Yadav, Managing Director of the Company.
- To derive median, only employees on the payroll of the Company are taken into consideration.
- Mr. Neeraj Bansal, Mr. Shriram Agrawal, Mrs. Geeta Sharma, Mr. Abhay Upadhyay, and Mr. Jaitendra Kumar were received only sitting fees during 2021- 2022 which is not considered as remuneration for the purpose of above calculation.

- ii. **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, if any, in the financial year**

<b>Name of Director/KMP</b>	<b>Designation</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>	<b>% increased</b>
<b>Kunal Yadav</b>	Managing Director	14400000.00	14400000.00	NIL
<b>Ravinder Sharma</b>	Chief Finance Officer	971528.00	1162259.00	NIL
<b>Anamika Raju</b>	Company Secretary	840004.00	961319.00	NIL



## INDIAN SUCROSE LIMITED

### *Notes:*

1. The remuneration mentioned above is the per annum remuneration fixed during appointment.

**iii. The percentage increase in the median remuneration of employees in the financial year**

The percentage increase in the median remuneration of employees in the financial year 2021-22 is 7 %.

**iv. The number of permanent employees on the rolls of Company**

Permanent employees on the rolls of the Company as on March 31, 2022 were 337

**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**

There is 7% increase in the salary of employees of the company as against the nil increase in the salary of Managing Director of the Company for the financial year 2021-22.

**vi. Affirmation that the remuneration is as per the remuneration policy of the Company.**

The remuneration paid for FY 2021-22 was as per remuneration policy of the Company and has been approved by the Nomination and Remuneration Committee of the Board.

For and on behalf of the Board  
**Indian Sucrose Limited**

Date: 31.08.2022  
Place: Mukerian

**(Kunal Yadav)**  
Managing Director  
(DIN: 01338110)

**(Jaitender Kumar)**  
Director  
(DIN: 05285059)

**INDIAN SUCROSE LIMITED**

**FORM NO. AOC.2**

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis- NIL

2. Details of material contracts or arrangement or transactions at arm's length basis **(Rs. In Lakhs)**

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Transaction value during the year	Approved transaction Limit	Duration of the contracts/arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
Highlink Investment Pvt. Ltd.	a) Sale, purchase or supply of goods or materials, availing or rendering of services and	6992	8500	31 <sup>st</sup> March 2022	Purchase of Sugar for trading  take godown on rent for sugar storage purpose	26.03.2021/16.06.2022	NIL
	b) Leasing of property	10.05	10.20				
Yadu Sugar Limited	Sale, purchase or supply of goods or materials	1.4	25	Till 31 <sup>st</sup> March 2022	Purchase of chemical for plant use	26.03.2021	NIL
Tiazo Trade Private Limited	(a) sale, purchase or supply of goods or materials, availing or rendering of services and	NIL	5000	Till 31 <sup>st</sup> March 2022	Take godown on rent for sugar storage purpose	26.03.2021	NIL
	(b) leasing of property	6	10.20				

**INDIAN SUCROSE LIMITED**

Rangar Breweries Ltd	(a) sale, purchase or supply of goods or materials, availing or rendering of services	3.85	NIL		Purchase of old machinery for use in plant	26.03.2021	NIL
Cosmos Industries Limited	a) sale, purchase or supply of goods or materials	70.88	150	Till 31 <sup>st</sup> March 2022	Purchase of process chemical for use in plant/ sale of old machinery/truck hired on rental basis	26.03.2021/28.02.2022	NIL
	c) Rent Paid	13.65	NIL				
Shervani Sugar Syndicate Ltd.	sale, purchase or supply of goods or materials	1.31	25	Till 31 <sup>st</sup> March 2022	Purchase of old machinery in use of plant	26.03.2021	NIL
Yadu Resorts (India) Ltd.	Leasing of Property	14.21	15	Till 31 <sup>st</sup> March 2022	Property hired for guest house purpose	26.03.2021	NIL
City Bazaar HUB Private Ltd.	a) sale, purchase or supply of goods or materials, availing or rendering of services	9.63	200	Till 31 <sup>st</sup> March 2022	Sale of sugar for trading and brand promotion	26.03.2021	NIL
	b) leasing of property	1.89	2.40	Till 31 <sup>st</sup> March 2022	Property on lease for business purpose	26.03.2021	NIL

**INDIAN SUCROSE LIMITED**

Indian Green Revolution Private Limited	sale, purchase or supply of goods or materials, availing or rendering of services	6961.30	8000.00	Till 31 <sup>st</sup> March 2022	Trading of sugar for brand promotion and market development	26.03.20 21	NIL
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For and on behalf of the Board  
**Indian Sucrose Limited**

Date: 31.08.2022  
Place: Mukerian

**(Kunal Yadav)**  
Managing Director  
(DIN: 01338110)

**(Jaitender Kumar)**  
Director  
(DIN: 05285059)

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**



The Global economy faced various headwinds from early sign of recovery in first half towards entering into a weaker position during the second half of 2022. The major macro-economic factors included; the new Omicron COVID-19 variant spread, because of which countries re-imposed mobility restrictions. Rising energy prices and supply disruptions resulted in higher and broad-based inflation, which was largely observed in the United States, many emerging market and developing economies. According to the latest release by Indian Sugar Mills Association (ISMA), sugar mills across the country have produced 342.37 lac tons of sugar between 1<sup>st</sup> October 2021 and 30<sup>th</sup> April 2022. This is about 42 lac tons higher than 300.29 lac tons produced at the same time last year. However, as compared to 106 sugar mills which were crushing sugarcane on 30<sup>th</sup> April 2021, 217 sugar mills were crushing sugarcane on 30<sup>th</sup> April 2022 this year.

**STATE-WISE SUGAR PRODUCTION AND CRUSHING**





**A. MAHARASHTRA**

In Maharashtra, sugar production till 30<sup>th</sup> April 2022 was 132.06 lac tons, compared with 105.63 lac tons produced last year same period, almost 26.4 lakh tons higher than last year. In the current 2021-22 SS, 76 mills have closed their crushing operations in the State and 123 sugar mills are still operating, as compared to which only 23 mills were operating last year on the corresponding date. The mills are currently facing the problem in harvesting and transportation of harvestable cane still available in the state. Accordingly, the State Government has announced assistance to enable mills to continue crushing till cane lasts.

**B. UTTAR PRADESH**

U.P. sugar mills have produced 98.98 lac tons of sugar as on 30<sup>th</sup> April 2022, which is 6.64 lac tons lower than the production of 105.62 lac tons achieved by them last year on the corresponding date. Out of 120 mills operated this year, 78 mills have ended their crushing and 42 mills continue their operations this year, compared to 45 mills which were operating on 30<sup>th</sup> April 2021 last year. It is learnt that most of the operating mills in the current season are expected to close by next fortnight, however, some of them may continue till end of May, 2022.

**C. KARNATAKA**

Out of the 72 mills which operated in Karnataka, 70 have already closed their crushing operations for the main season, while only 2 mills are in operation and have produced 59.02 lac tons of sugar. However, few closed mills might operate in the special season commencing June / July' 2022. During the corresponding period last year, all the operating 66 sugar mills had closed their operations and had produced 42.48 lac tons sugar. However, in the special season last year, 2.20 lakh tons of sugar was made.

**D. GUJARAT**

Gujarat has produced 11.55 lac tons of sugar till 30<sup>th</sup> April 2022 with 10 sugar mills in operation. Last year, 10.15 lac tons of sugar had been produced with 5 mills in operation on the same date.

**E. TAMIL NADU**

In case of Tamil Nadu, out of 29 sugar mills which operated this season, 5 sugar mills have ended their crushing so far, though some might operate in the special season later in the year. Till 30<sup>th</sup> April 2022, sugar production in the State was 8.40 lac tons, compared with 6.04 lac tons produced by 27 sugar mills on the corresponding date last year. Of the 27 sugar mills, 9 mills had ended their operations while 18 mills were in operation as on 30<sup>th</sup> April 2021, last year. In the special season last year, Tamil Nadu mills had made 2.16 lakh tons of sugar.

**F. REMAINING STATES**

The remaining States of Andhra Pradesh, Telangana, Bihar, Uttarakhand, Punjab, Haryana, Madhya Pradesh, Chhattisgarh, Rajasthan and Odisha have collectively produced 32.36 lac tons till 30<sup>th</sup> April, 2022.

Of the above States, Bihar, Punjab, Chhattisgarh, Rajasthan and Odisha have already closed their crushing operations for the current campaign.

As per reports from sugar mills and estimations made by ISMA, sugar sales by end of March 2022 have been estimated at 136.14 lac tons, as against 129.48 lac tons in the corresponding period last year, which is higher by 6.66 lac tons. Further, domestic sugar sales quota released by the Government upto May 2022 is also higher by 6.5 lac tons as against corresponding period last year. ISMA expects domestic sugar consumption in the current season to be at 272 lakh tons against 265.5 lac tons last year.

## **INDIAN SUCROSE LIMITED**

As per reports from the trade, around 82-83 lac tons of sugar export have been contracted for so far. Out of that, about 68 -70 lac tons of sugar is estimated to have been physically exported from India upto end of April, 2022 in the current sugar year, as compared to about 43.19 lac tons exported last year during the corresponding period. Accordingly, it is estimated that in the current season, Indian sugar industry should be able to export over 90 lac tons.

On the ethanol front, against the total LOI quantity of 425.17 crore ltrs, 410.32 crore ltrs have been contracted for and 168.66 Cr ltrs of ethanol have been supplied as on 24th April' 2022. Out of the total supply so far, about 149.16 crore ltrs i.e. over 88% have been supplied by the sugar industry. The country, on an average, has achieved a blending percentage of 9.82% on the corresponding date.

### **ISMA REVISES SUGAR PRODUCTION ESTIMATE FOR 2021-22 SEASON**



Accordingly, ISMA has revised its all-India sugar production estimate for 2021-22 SS to 360 lac tons after considering diversion of 34 lac tons of sugar equivalent into ethanol. It is notable that last year the country produced 311.92 lac tons of sugar after diversion of about 20 lac tons of sugar for production of ethanol. On the export front, it is reported that around 94-95 lac tons of export contracts have already been entered into so far. Out of that, about 86 lac tons is reported to have been physically exported till end of May, 2022. Recently, Government has capped sugar exports at 100 lac tons for the current season.

As per reports from sugar mills and estimations made by ISMA, sugar sales by end of April, 2022 have been estimated at 160.05 lac tons, as against 152.61 lac tons in the corresponding period last year, which is higher by about 7.5 lac tons. Further, domestic sugar sales quota released by the Government upto June 2022 is higher by 5.5 lac tons as against corresponding period last year. Considering the above, ISMA estimates domestic sugar consumption in the current season to be at 275 lakh tons against 265.55 lacs of consumption last year.

Considering an opening stock of about 82 lac tons as on 1<sup>st</sup> October 2021, domestic consumption of 275 lac tons, sugar exports of 100 lac tons and the estimated sugar production of 360 lac tons, the closing stock as on 30th September, 2022 is expected to be at 67 lac tons, which would be sufficient for 3 months of domestic consumption.

As is the practice, ISMA will obtain satellite images of the sugarcane area across the country in latter part of June 2022 to get an idea of the acreage under sugarcane available for harvesting next year. Accordingly, ISMA will discuss the same in its meeting attended by members from across the country,

## INDIAN SUCROSE LIMITED

and in July,2022 make its preliminary estimates of sugarcane availability and sugar production for 2022-23 sugar season.

### **SUGARCANE PRICING POLICY**

With the amendment of the Sugarcane (Control) Order, 1966 on 22.10.2009, the concept of Statutory Minimum Price (SMP) of sugarcane was replaced with the 'Fair and Remunerative Price (FRP)' of sugarcane for 2009-10 and subsequent sugar seasons. The cane price announced by the Central Government is decided on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACAP) in consultation with the State Governments rate of sugar, with a premium payable to farmers for higher recoveries of sugar from sugarcane.

Under the FRP system, the farmers are not required to wait till the end of the season or for any announcement of the profits by sugar mills or the Government. The new system also assures margins on account of profit and risk to farmers, irrespective of the fact whether sugar mills generate profit or not.

In order to ensure that higher sugar recoveries are adequately rewarded and considering variations amongst sugar mills, the FRP is linked to a basic recovery till 9.5%. With a view to protect interest of farmers, the Government has decided that there shall not be any deduction in case where recovery is below 9.5%; such farmers will get ` 275.50 per quintal for sugarcane in the current season.

Accordingly, FRP for 2021-22 sugar season has been fixed at Rs 290 per quintal linked to a basic recovery of 10% subject to a premium of Rs 2.90 per quintal for each 0.1% increase of recovery over and above 10% and reduction in FRP at the same rate for each 0.1% decrease in the recovery rate.

Sugar Season	FRP ( Rs per quintal)	Basic
2009-10	129.84	9.5%
2010-11	139.12	9.5%
2011-12	145.00	9.5%
2012-13	175.00	9.5%
2013-14	210.00	9.5%
2014-15	220.00	9.5%
2015-16	230.00	9.5%
2016-17	230.00	9.5%
2017-18	255.00	9.5%
2018-19	275.00	10%
2019-20	275.00	10%
2020-21	285.00	10%
2021-22	290.00	10%

Source - <https://dfpd.gov.in/>

### **ETHANOL BLENDED PETROL PROGRAMME (EBP PROGRAMME)**

In order to find a permanent solution to address the problem of excess sugar, Government is encouraging sugar mills to divert excess sugarcane to ethanol. Government has fixed target of 10% blending of fuel grade ethanol with petrol by 2022 & 20% blending by 2025.

Till year 2014, ethanol distillation capacity of molasses based distilleries was less than 200 cr litres. Supply of ethanol to OMCs was route be increased from ` 57.61 per litre to ` 59.08 per litre. The price of ethanol

## INDIAN SUCROSE LIMITED

from sugarcane juice, sugar/sugar syrup route be increased from ` 62.65 per litre to ` 63.45 per litre, additionally, GST and transportation charges will also be payable.

With a view to support sugar sector and in the interest of sugarcane farmers, the Government has also allowed production of ethanol from B-Heavy Molasses, sugarcane juice, sugar syrup and sugar. The cabinet committee on Economic Affairs chaired by Prime Minister, has given its approval for fixing higher ethanol price derived from different sugarcane based raw materials under the EBP Programme for the forthcoming sugar season 2021-22 during ESY 2021-22 from 1st December, 2021 to 30th November, 2022. The price of ethanol from C heavy molasses route be increased from ` 45.69 per litre to ` 46.66 per litre.

### INTERACTION WITH FARMERS, SELF HELP GROUPS ON 'BEST PRACTICES IN SUGARCANE FARMING'

As a part of the celebrations, DFPD Government of India organized an event 'Interaction with Farmers, Self Help Groups on 'Best Practices in Sugarcane Farming' on 18th November 2021 from 11.00 A.M to 01:00 P.M. The programme was attended virtually by thousands of farmers at about 100 sugar mills from all major sugarcane producing states of the country as well as self help groups of farmers and their families.

During the event, Shri Subodh Kumar Singh, Joint Secretary (Sugar) told the farmers that improvement in yield would reduce the cost of sugarcane farming and improve the revenue of farmers. He suggested sugar mills to produce more ethanol so as to have better cash flows and sustainable industry. He emphasized the need for adoption of techniques of **waste to wealth**. He briefly mentioned the initiatives taken by GOI for making Sugar sector ATMANIRBHAR, environment friendly and reducing farmers' dues.

In sugar seasons 2018-19 & 2019-20 about 3.37 & 9.26 LMT of sugar was diverted to ethanol. In previous sugar season 2020-21, about 22 LMT of excess sugar was diverted to ethanol. In current sugar season 2021-22, it is likely that about 35 LMT of excess sugar would be diverted to ethanol. By 2025, it is targeted to divert 50-60 LMT of excess sugar to ethanol, which would solve the problem of high inventories of sugar, improve liquidity of mills thereby help in timely payment of cane dues of farmers.

While delivering the keynote address, the Joint Secretary (Sugar) told that Indian Sugar Sector has come a long way from a cyclical sugar industry to structurally surplus industry and a regular exporter. He informed about multiple government initiatives on MSP, Buffer Stock and MRM, allowing multiple feed stocks for ethanol production etc. and called for improvements across the value chain from farm to factory for making the sector sustainable.

*Source - <https://dfpd.gov.in/>*

Government Policies

*(i) Sugar*

- GoI imposed stock holding norms and introduced MSQ for sugar from June '18 that continues to remain in vogue.
- GoI raised the MSP for sugar from ` 29 to ` 31/ kg in Feb '19 that is unrevised till date.
- GoI in May '21 reduced the subsidy from ` 6000 to 4000/ t for the residual exports in SS 2020/21.
- GoI has discontinued the export subsidy for SS 2021/ 22.
- GoI in Sep '21 advised closure of financial assistance to sugar mills under various SDF schemes.
- Compulsory jute packing for sugar continues at 20% for Jute Year 2021-22.

Feedstock	ESY21	ESY22
C-Molasses	45.69	46.66



## INDIAN SUCROSE LIMITED

B-Heavy Molasses	57.61	59.08
Sugarcane Juice/Syrup	62.65	63.45

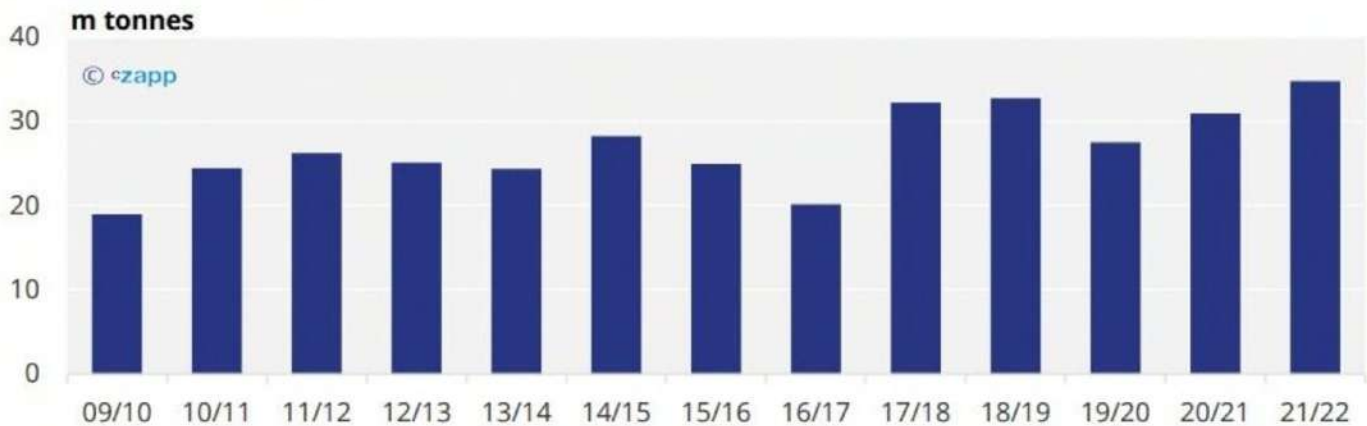
(ii) Cane price

- GoI in August 21 has increased the FRP by Rs 5/- qtl to Rs 290/ qtl for SS 2021-22 that is linked to base recovery of 10%.
  - GoTN announced Transitional Production Incentive of Rs 42.50/ t and a special incentive of Rs 150/ t for SS 2020-21.
  - GoTN announced a special incentive of Rs 195 / t to the sugarcane farmers for SS 2021-22.
  - GoTN however discontinued the transport subsidy of Rs 100/ t for the sugar mills since SS 2020-21.
- MoP in April '21 placed draft National Electricity Policy 2021 on its website.

Sugarcane is a robust crop but its availability is critically dependent upon nature. Repeated monsoon failure, frail flow in river Cauvery and dead storage level in Mettur reservoir that caters to the company’s command area of cane together throw up a tantalizing challenge to agriculture in its neighbourhood, thwarting cane cultivation in the process. Drip irrigation is catching up but the high capital outlay, glitches in Government subsidy schemes and deficiency in water resources not enough to meet even the minimal drip requirement for cultivation during deficit years impede its pace of adoption.

Harvest labour shortage increasingly poses an intimidating challenge to both the cane farmers and mills in the State.

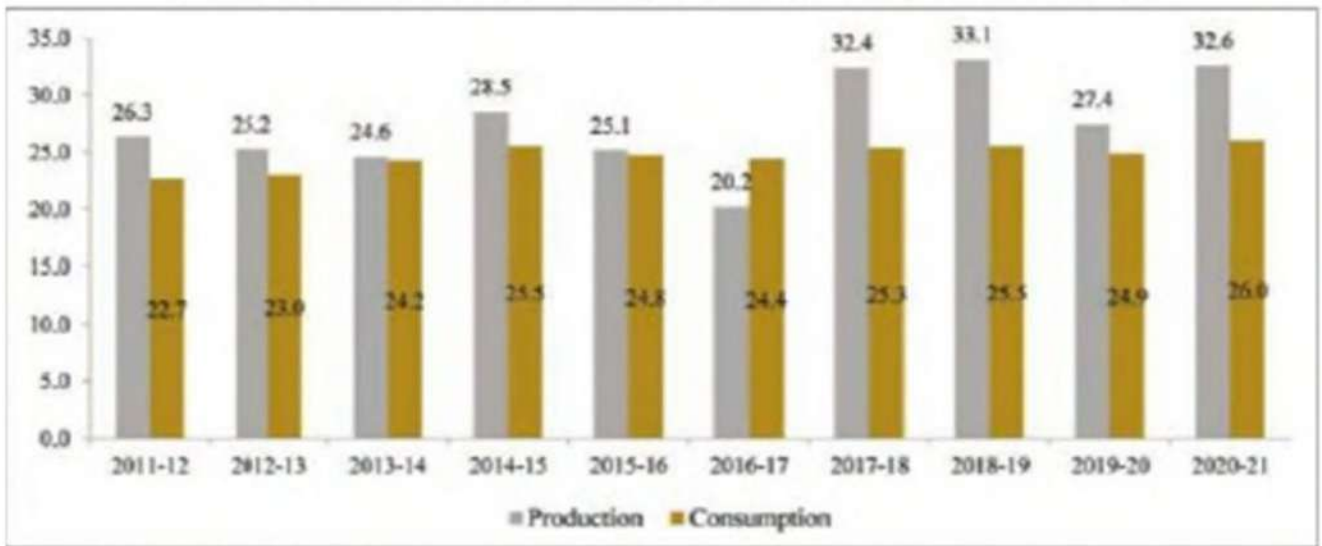
### Indian Sugar Production





# INDIAN SUCROSE LIMITED

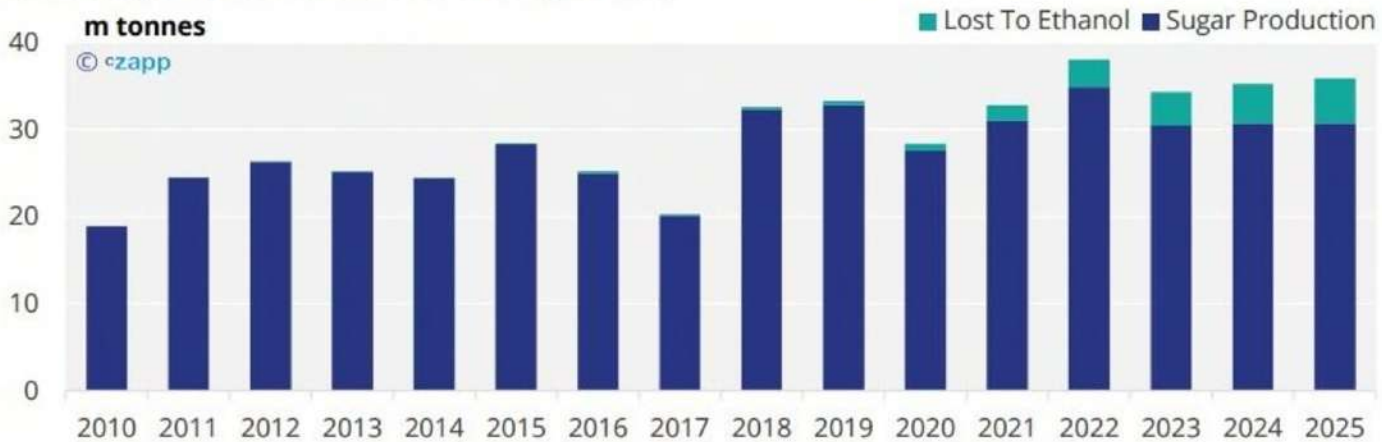
## Production and Consumption Levels of Sugar (Million Tonnes)



## India's Sugar Surpluses and Deficits



## Indian Sugar vs. Ethanol Production Going Forward



## INDIAN SUCROSE LIMITED

The Company is engaged in two segments, namely sugar and cogeneration of power(Cogen.). The segment wise performance for the year is as under:

<b>Particulars</b>	<b>Year Ended 31.03.2022</b>	<b>Year Ended 31.03.2021</b>
<b>Sugar</b>		
Installed Capacity (TCD)	9000	6500.00
Sugarcane Crushed(Quintals)	9395400.66	9884382.37
Recovery %	10.48	10.30
Sugar produced (Quintals)	982860	1013754
<b>Power</b>		
Installed Capacity Co-gen Power (MW)	19.5	12
Wind Mills (MW)	NIL	NIL
Units Generated (per ton of fuel)	45300088	48281220

### Financial Performance

(Rs.in Lakhs)

<b>Particulars</b>	<b>Year Ended 31.03.2022</b>	<b>Year Ended 31.03.2021</b>
<b>Revenue from operations</b>		
Sugar	36729.00	38081.25
Molasses	2623.24	2453.42
Bagasses & Others	474.79	575.81
Power	944.19	1005.52
<b>Total Expenses (Excluding interest)</b>	39071.85	38552.63
<b>Profit Before Interest and Tax (PBIT)</b>	5935.95	4868.74
<b>Profit After Tax (PAT)</b>	3701.51	2175.15
<b>Earnings per Share (Basic and Diluted)</b>	24.07 23.81	14.47 14.47

### Details of Adequacy of Internal Financial Controls

The Company's internal control system is aimed at proper utilization and safeguarding of the Company's resources and promoting operational efficiency. The internal audit process reviews the in-system checks, covering significant operational areas regularly.

The Company's Audit Committee is responsible for reviewing the Report submitted by the Internal Auditors. Suggestions for improvements are considered and the Audit Committee follows up on the implementation of corrective actions. The Audit Committee also invites the Statutory and Internal Auditors for regular meetings to ascertain their views on the adequacy of internal control systems and keeps the Board of Directors informed of its observations from time to time.

### **Human Resources and Industrial Relations**

Your Company's approach to talent development is founded on the belief that learning initiatives must remain synergistic and aligned to business outcomes, emphasize experiential learning, provide an enabling and supportive environment and promote learning ability. Deep functional expertise is fostered through immersion in solving complex customer problems by the application of domain expertise early in managerial careers. Key talent is provided critical experiences in high impact roles and mentored by senior managers. Managers are assessed on your Company's behavioral competency framework and provided with learning and development support to address any areas identified for improvement. As part of your Company's managerial development and capability building strategy, various programmes have been designed and customized to your Company's requirements under these platforms. Your Company has further strengthened its performance management system and its culture of accountability through renewed emphasis on Management by objectives which includes clearly defined goals and outcomes based assessment.

### **SWOT ANALYSIS**



Indian Sucrose Limited consists of manufacturing and trading facilities of sugar and power. Each of its business segments has its own strengths and weaknesses and exposures to a variety of opportunities and threats. The Company has the following SWOT attributes broadly:

#### **DETAILS OF SIGNIFICANT CHANGES OF 25% OR MORE IN KEY FINANCIAL RATIOS:**

- i) Debtors Turnover: It decreased from 18 days (previous year) to 11.47 days during the year under review due to improvement in realizations in debtors.
- ii) Inventory Turnover: It reduced from 2.73 days (previous year) to 2.50 days due to timely consumptions of inventories during the year under review.
- iii) Interest Coverage Ratio: It increased from 0.69 times (previous year) to 1.50 times during the year under review, its normal increment.

## INDIAN SUCROSE LIMITED

iv) Current Ratio: 1.04 as compared to the immediately previous financial year 1.02. due to improvement in working capital.

v) Debt Equity Ratio: - Debt Equity ratio 1.78 (previous year) to 0.35 during the year under review, due to repayment of loans.

vi) Operating Profit Margin (%): 2.97 or more as compared to the immediately previous financial year was 0.93 due to better financials.

vii) Net Profit Ratio (%): - It increased by 5.38% (previous year) to 8.20 % during the year under review, due to better recovery of sugar.

**DETAILS OF CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE PREVIOUS FINANCIAL YEAR:** - Return on Net Worth 24.57 % during the year under review. The change is due to increase in sugar price as compared to previous year.

### Cautionary Statement

Statements made in this Report describing industry outlook as well as Company's plans, projections and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

For and on behalf of the Board  
**Indian Sucrose Limited**

**(Kunal Yadav)**  
Director  
(DIN: 01338110)

**(Jaitender Kumar)**  
Director  
(DIN: 08164429)

Date: 31/08/2022  
Place: Mukerian

CORPORATE GOVERNANCE REPORT



The Board of Directors present the company's report on Corporate Governance for the year ended on 31<sup>st</sup> March, 2022.

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Indian Sucrose Limited pursues its long-term corporate goals on the bedrock of financial discipline, high ethical standards, transparency and trust. Enhancing shareholders' value and protecting the interests of all stakeholders' is a tradition at ISL. Every effort is made to follow best practices in all the functional areas and in discharging the Company's responsibilities towards all stakeholders and the community at large.

## 2. BOARD OF DIRECTORS

### 2.1 Composition of the Board:

The Company has a judicious mix of Executive, Non-Executive and Independent Non-Executive Directors on its Board. There are six Directors on the Board, with one Executive Director, Two Non-Executive Non Independent Director and three Non-Executive Independent Directors. The Chairman is a Non Independent Executive Director and one-half of the Board consists of Independent Directors.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as 'the Act') and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (hereinafter referred to as 'Listing Regulations').

None of the directors are director in more than 8 Listed entities and serve as an Independent Director in more than 7 Listed entities. None of the directors are directors in more than 20 Companies or member of more than 10 Committees or act as Chairman of more than 5 Committees across all Companies in which they are directors. The Non-Executive Directors are appointed or re-appointed with the approval of shareholders.



## INDIAN SUCROSE LIMITED

The Company has not entered into any material significant transaction with non-executive and non-independent Directors of the Company. None of the directors are related to each other.

The composition of the Board as on 31 March 2022 is as under:

Sr. No	Name of Director	Materially significant, pecuniary or business relationship with the Company	Number of shares and convertible instruments held in the Company	No. of Directorships held in Public Ltd. Co. s' (including the company)	# Committee (s) position (including the company)	
					Member	Chairman
1.	Kunal Yadav	Executive Director/Chairperson/ Managing Director	900025	7	4	0
2.	Jaitender Kumar	Non - Executive /Non Independent Director	0	1	1	0
3.	Geeta Sharma	Non-Executive/ Non Independent Woman Director	0	1	1	0
4.	Shriram Agrawal	Non-Executive/ Independent Director	0	1	1	0
5.	Abhay Upadhyay	Non-Executive/ Independent Director	0	2	1	1
6.	Neeraj Bansal	Non-Executive/ Independent Director	0	1	0	1

# Only Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

### 2.2. Changes in the composition of the Board

Board of Directors in their Meeting held on 26<sup>th</sup> August, 2022 appointed Mr. Ashish Singh Yadav (DIN: 09265468) as an Additional Director in the capacity of Non – Executive Independent Director with immediate effect to hold office till the conclusion of 31<sup>st</sup> Annual General Meeting of the Company to be held in the year 2022. The Nomination & Remuneration committee considered and recommended the appointment of Mr. Ashish Singh Yadav as Non – Executive Independent Director for a term of five consecutive years up to 25<sup>th</sup> August, 2027 on Board/committee(s) which was approved by the Board of Directors at its meeting held on 31<sup>st</sup> August, 2022. The proposal for re-appointment of Mr. Ashish Singh Yadav will be placed before the members for its approval in the ensuing General Meeting. Brief resume of Mr. Ashish Singh Yadav is circulated to the members as part of the AGM Notice.

## INDIAN SUCROSE LIMITED

Mr. Abhay Upadhyay, Non-Executive Independent Director, ceased to be director of the Company consequent to his resignation effective from 26<sup>th</sup> August, 2022. due to involvement with some other projects.

2.3 Name of other listed entities where Directors of the company are Directors and the category of Directorship: No Directors hold any position to other listed entities.

2.4 Brief Profile of Directors:

The Board of Directors comprises of highly renowned person of diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

The brief profile of the Company's Board of Directors are as under:

### **Mr. Kunal Yadav – Managing Director – Executive Director (DIN - 01338110)**

Mr. Kunal Yadav is a Managing Director cum Chairman & Executive Director on board of our company. He had more than 13 years of rich industrial experience and managerial experience. He joined the company as Director on 5<sup>th</sup> of February, 2008. He was one of the Promoter, Industrialist and Managing Director and main contributor to the growth and development of the Company, having a net worth of more than 110.82 crores with a turnover of 430.58 crores (financial year 2021-22). He was also equally excellent in ensuring growth by improving productivity, cost control, large size operations & consistently improving quality and his services were indispensable. He had been actively involved in business strategy, business development and research and development functions in the Company. Mr. Kunal Yadav having the degree of M.B.A. from the university of Greenwich, London, U.K.

### **Mr. Jaitender Kumar – Non - Executive – Non Independent Director (DIN - 08164429)**

Ms. Jaitender Kumar is the Non - Executive Director on the board of our company. He holds a Post Graduate degree in B.S.C. Agriculture from Haryana Agriculture University, Hisar. He had more than 17 years of experience in Agriculture and land related issues. He is also the main contributory in the growth of the company.

### **Mr. Abhay Upadhyay – Non - Executive – Independent Director (DIN - 08434768)**

Mr. Abhay Upadhyay is the Non-Executive Independent Director on the board of our company. Mr. Abhay Upadhyay holds M.com and MBA Degree, he completed his MBA in Human Resource and International Marketing from Lovely Professional University, Punjab. He had more than 7 years of experience in Human Resource Management and Strategy planning.

### **Mr. Neeraj Bansal - Non-Executive -Independent Director (DIN- 02879371)**

Mr. Neeraj Bansal is the Non-Executive Independent Director on the Board of the Company. He is a FCADISA (ICAI), and is a Fellow Member of the Institute of Chartered Accountants of India and a qualified Information System Auditor. He possesses 21 years' excellent experience in the field of statutory audits, internal audits, tax audits, due-diligence audits and management audits for non-profit organizations, PSUs, Banking Institutions and Public and Private Companies.

## INDIAN SUCROSE LIMITED

### **Mr. Shriram Agrawal - Non-Executive -Independent Director (DIN- 07147618)**

Mr. Shriram Agrawal is the Non-Executive Independent Director on the Board of the Company. He is member of Institute of Chartered Accountant of India and also hold Master's degree in Commerce. He is being auditing and accounting of large-scale corporations (private as and public) for 10 years with excellent acumen and due diligence.

### **Mrs. Geeta Sharma – Non-Executive – Non-Independent Director (DIN- 08905164)**

Ms. Geeta Sharma is the Non- Executive Non Independent Director on the Board of our Company. She is post graduate from Agra university. She has experience of 31 years in corporate planning and management strategy.

### **Mr. Ashish Singh Yadav – Non-Executive – Independent Director (DIN- 09265468)**

Mr. Ashish Singh Yadav is the Non- Executive Independent Director on the Board of our Company. Mr. Ashish Singh Yadav holds post graduate degree in Economics from chhatrapati shahu Ji Maharaj university, Kanpur, U.P. He has more than 10 years of experience in Corporate Planning and Management Strategy.

**2.5 Skill/Expertise of Directors:** Directors have core skills and efficiency on different sectors such as sales and marketing, Technical aspects, General Management, Legal and Governance, Strategic thinking, Decision Making and Financial, which is as follow;

Key Competencies	Brief Description	Name of Directors
Governance and Board Service	The Board shall collectively comprise of Directors who demonstrate competence and experience in application of Corporate Governance Principles.	All the Directors
Business/Management	Experience with, or can demonstrate knowledge or expertise in, sound management and operational business processes and practices in the private or public sector including an understanding of topics such as managing complex projects, planning and measuring performance and allocating resources to achieve outcome	All the Directors
Risk/legal /Regulatory compliances	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliances and monitor risk and compliances management frameworks and systems.	Mr. Kunal Yadav Mrs. Jaitender Kumar Mr. Neeraj Bansal Mr. Shriram Agrawal
Information Technology	Knowledge and experience in the	Mr. Kunal Yadav

## INDIAN SUCROSE LIMITED

	strategic use and governance of information management and information technology with ability to apply technology to the sugar sector	
Accounting/Financial Experience	Experience with, or can demonstrate knowledge or expertise in, accounting or financial management including analyzing and interpreting financial statements, evaluating organizational budgets and use of resources, critically analyze performance and financial viability, understanding financial reporting	Mr. Kunal Yadav Mr. Neeraj Bansal Mr. Shriram Agrawal
Industry/ Sector Knowledge	Experience with or is able to demonstrate knowledge or expertise in sugar industry with specific exposure in sugar segment including an understanding of particular trends, challenges and opportunities, or unique dynamics within the sector that are relevant to the Company	Mr. Kunal Yadav Mr. Jaitender Kumar
Strategy Development and implementation	Ability to think strategically and contribute to effective strategy formulation in the light of the strategic objectives of the Company	All the Directors
Human Resource Management	Experience in the Human Resource Management with understanding of employment law	Mr. Kunal Yadav Mr. Abhay Upadhyay Mrs. Geeta Sharma

### 2.6 Board Meeting

During the financial year 2021-22, Eight Board Meetings were held on 30<sup>th</sup> June, 2021, 23<sup>rd</sup> August, 2021, 31<sup>st</sup> August, 2021, 20<sup>th</sup> September, 2021, 12<sup>th</sup> November 2021, 20<sup>th</sup> November, 2021, 8<sup>th</sup> February, 2022 and 28<sup>th</sup> February, 2022, due to expedient requirements the company has passed 2 resolutions by circulation on 1<sup>st</sup> May, 2021 and 26<sup>th</sup> March, 2022, duly assent received by all directors through mail/hand delivery and the same was took on note in the next Board Meeting of the Company. The maximum interval between any two consecutive meetings were not more than 120 days. Agenda, notes on the agenda and other pre-read materials are circulated among the Directors, well in advance, in a structured format. All the Agenda items are supported by relevant information, documents and presentation to enable the Board to take informed decisions. A soft copy of the Board/Committee Meeting agenda is also hosted on the Board portal to provide web-based solution that functions as a document repository. Video/tele-conferencing facilities are used to facilitate Directors present at other locations, to participate in the meetings.

## INDIAN SUCROSE LIMITED

The Company has a well-established framework for the Meetings of the Board and its Committees which seeks to systematize the decision-making process at the Board and Committee meetings in an informed and efficient manner.

The attendance of each Director at these Board Meetings and last Annual General Meeting was as under:

Sr. No.	Name of the Director	Board Meeting		Whether present at the last AGM
		Held during the year	Attended	
1.	Mr. Kunal Yadav	8	8	Yes
2.	Mr. Jaitender Kumar	8	8	Yes
3.	Mr. Abhay Upadhyay	8	8	Yes
4.	Mr. Neeraj Bansal	8	8	Yes
5.	Mrs. Geeta Sharma	8	8	Yes
6.	Mr. Shriram Agarwal	8	8	Yes

### 2.7 Separate Meeting of Independent Directors:

Independent Directors play an important role in the governance processes of the Board. They bring their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

None of the Independent Directors serves as “Independent Directors” in more than seven listed companies. No person has been appointed or continuing as an Alternate Director for an Independent Director of the Company.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfills the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

Schedule IV to the Act, inter alia, prescribes that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management. During the year, one meeting of independent directors was held on 28th February, 2022. All the Independent Directors attended the Meeting. At the meeting, the Independent Directors reviewed the performance of the non-independent directors (including the Chairperson) and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company, management and the board that is necessary for the board to effectively and reasonably perform their duties.

### 2.8 Disclosure of relationships between the Directors inter-se:

None of the directors have any inter-se relationship.

### 2.9 Familiarization programmes imparted to Independent Directors:

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company’s procedures and practices. The Company has through presentations at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Sugar Industry as a whole.

## INDIAN SUCROSE LIMITED

The details of such familiarization programmes for Independent Directors are posted on the website of the Company at [www.muksug.in](http://www.muksug.in)> about us >Policy.

### 2.10 Code of Conduct for Directors and Senior Management Personnel:

Pursuant to Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has laid down a 'code of conduct' for all the Board and Senior Management Members and they have affirmed compliance with the said code of conduct of the Company for the Financial Year 2021-2022. The Code of Conduct is also placed on the Company's website at [www.muksug.in](http://www.muksug.in)>aboutus>policy.

### 2.11 Code of Conduct for Prevention of Insider Trading Practices:

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has formulated, adopted and implemented 'Code of Conduct for regulating, monitoring and Reporting Trading by Insiders' and "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" (The Code) in the Securities of the Company. In line with the latest amendment in the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to further strengthen the mechanism for prevention of Insider Trading. The Company had updated the code during the period under review.

The Code of Conduct is also placed on the Company's website at [www.muksug.in](http://www.muksug.in)>aboutus>policy.

### 2.12 Remuneration of Directors:

- (a) Executive Directors: Remuneration payable to the Executive Directors are in line with the Act, Listing Regulations and Remuneration Policy for remunerating Directors/KMPs. Remuneration of Executive Director includes salary, perquisites, allowances, commission etc., Mr. Kunal Yadav is only the Managing Director and Executive Director of the Company who is getting remuneration as per the policy determined by the Nomination and Remuneration Committee, which is subsequently approved by the Board of Directors as per the authority given by the shareholders at the General Meeting.
- (b) Non – Executive Directors – Remuneration to Non – executive Directors is paid by the way of sitting fees for attending the meetings of the Board/Committee.

The details of the remuneration paid to the Directors for the Financial Year ended 31st March, 2022 is as follows: -

INR					
Sr. No.	Directors	Salary and Allowances	Perquisites	Sitting fees	Total (Rs.)
1.	*Mr. Kunal Yadav (Executive Director)	14400000	0.00	0.00	14400000
2.	Mrs. Geeta Sharma (Non – Executive Woman Director)	0	0	60000	60000
3.	Mr. Jaitender Kumar (Non - Executive Director)	0	0	90000	90000
4.	Mr. Neeraj Bansal	0	0	90000	90000



## INDIAN SUCROSE LIMITED

	(Non-Executive Independent Director)				
5.	Mr. Abhay Upadhyay (Non-executive Independent Director)	0	0	90000	90000
6.	Mr. Shriram Agrawal (Non-Executive Independent Director)	0	0	90000	90000

\* on the recommendation of the NRC the Board of Directors of the Company at their Board Meeting held on 31.08.2022 has revised the remuneration structure of Managing Director w.e.f. 01.04.2022 subject to approval of members in the ensuing AGM of the Company, the detailed terms & condition annexed to the notice of AGM of the Company.

### 2.13 Committees of the Board:

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following 4 (Four) Committees viz:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

The terms and reference to these Committees are determined by the Board and their relevance reviewed from time to time. Each of these Committees has been mandated to operate within a given framework. Minutes of the meetings of each of these Committees are tabled regularly at the Board Meetings for their perusal and noting.

### 3 AUDIT COMMITTEE

During the year under review, the Audit Committee comprises of three Independent Directors and one Executive Director. The three Independent Directors are Mr. Neeraj Bansal, Mr. Abhay Upadhyay and Mr. Shriram Agrawal. Mr. Kunal Yadav is the Executive Non-Independent Director of the Committee.

#### 3.1 Composition and Attendance:

During the year under review 4 (four) Audit Committee meetings were held, the dates of those meetings being on 30<sup>th</sup> June, 2021, 31<sup>st</sup> August, 2021, 20<sup>th</sup> November, 2021 and 28<sup>th</sup> February, 2022. The attendance at the meetings of the Audit Committee is given below:

Sr. No.	Name of Committee Members	Category	Position	Number of Meetings held	Number of Meetings attended
1.	Mr. Neeraj Bansal	Non-Executive Independent Director	Chairperson	4	4
2.	Mr. Shriram Agrawal	Non-Executive Independent Director	Member	4	4

## INDIAN SUCROSE LIMITED

3.	*Mr. Abhay Upadhyay	Non-Executive – Independent Director	Member	4	4
4.	Mr. Kunal Yadav	Executive Director	Member	4	4

- Mr. Abhay Upadhyay resigned from the post of membership of the committee on 26.08.2022, Mr. Ashish Singh Yadav will act as member of the Committee w.e.f. 26.08.2022, appointed as non – executive, Independent director at the board meeting of the company held on 26.08.2022, to hold office till the conclusion of 31<sup>st</sup> AGM of the Company.

### 3.2 Terms of Reference:

The terms of reference and the scope of surveillance of the Audit Committee include –

- a) Ensuring compliance and improving efficiency of internal control system as well as internal audit.
- b) Reviewing of the Company's financial performance at regular intervals as well as overseeing of the Company's financial reporting process and concurring Financial Statements before submission to the Board.
- c) Reviewing scope and adequacy of audit functions, both internal and statutory.
- d) Examination of the financial statement and the auditors' report thereon.
- e) Disclosing of financial information while ensuring its correctness, sufficiency, credibility and its compliance with Stock Exchange Regulations as well as other legal requirements.
- f) Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- h) Reviewing finding of audit observations and critical concerns like suspected fraud or irregularity, or failure of internal control systems and reporting such matters to the Board.
- i) Approval or any subsequent modification of transactions of the company with related parties.
- j) Reviewing of the Financial and Risk Management Policies of the Company.
- k) Reviewing from time to time the Company's statutory and contractual obligations as well as reasons for defaults therein, if any.
- l) Scrutiny of inter-corporate loans and investments.
- m) Approve and monitor related parties' transactions.
- n) Valuation of undertakings or assets of the company, wherever it is necessary.
- o) Evaluation of internal financial controls and risk management systems.
- p) Monitoring the end use of funds, if any raised through public offers and related matters.

No personnel have been denied access to the Audit Committee for any matter covered under vigil mechanism/ whistle blower policy of the company.

#### **4. NOMINATION & REMUNERATION COMMITTEE**

During the year under review, the Nomination and Remuneration Committee comprised of 4 directors out of which 3 Directors are Independent Director and 1 is Non- Executive -Non Independent Director. Mr. Abhay Upadhyay, Mr. Shriram Agarwal and Mr. Neeraj Bansal are Independent directors, Mrs. Geeta Sharma is Non – Executive Non Independent Director in the Committee.

##### **4.1 the Terms of Reference of the Committee:**

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has revised the terms of reference of the Committee. The revised terms of reference are:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- (5) Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- (6) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (7) recommend to the board, all remuneration, in whatever form, payable to senior management;
- (8) to administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
- (9) Carrying out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee.

##### **4.2 Composition and Attendance:**

During the year under review 1 (One) Nomination and Remuneration Committee meeting was held on 31.08.2021. The attendance at the meetings of the Nomination and Remuneration Committee is given below:

<b>Sr. No.</b>	<b>Name of Committee Members</b>	<b>Category</b>	<b>Position</b>	<b>Number of Meetings held</b>	<b>Number of Meetings attended</b>
1.	*Mr. Abhay Upadhyay	Non-Executive – Independent Director	Chairperson	1	1
2.	Mr. Shriram Agrawal	Non-Executive – Independent Director	Member	1	1
3.	Mr. Neeraj Bansal	Non-Executive – Independent Director	Member	1	1
4.	Mrs. Geeta Sharma	Non-Executive Director, Non Independent Director	Member	1	1

- Mr. Abhay Upadhyay resigned from the post of chairmanship of the committee on 26.08.2022, Mr. Ashish Singh Yadav will act as chairman of the Committee w.e.f. 26.08.2022, appointed as non – executive, Independent director at the board meeting of the company held on 26.08.2022, to hold office till the conclusion of 31<sup>st</sup> AGM of the Company.

#### **4.3 Evaluation of the Board's Performance:**

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

#### **5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

During the year under review, the Stakeholders Relationship Committee comprised of 3 directors out of which 2 Directors are Independent Director and 1 is Non - Executive Director. Mr. Abhay Upadhyay, Non-Executive Independent Director, Mrs. Geeta Sharma, Non-Executive Non-Independent Director and Mr. Jaitender Kumar is the Non - Executive Director of the Committee.

#### **5.1 TERMS OF REFERENCE**

The Board of Directors has amended the terms of reference of Stakeholders Relationship Committee pursuant to amendment in the Listing Regulations. Some of the important terms of reference of the Committee are as follows:

- (1) Redress and resolve 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 or allotment letters, general meetings etc.;
- (2) Review of measures taken for effective exercise of voting rights by shareholders;
- (3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (4) Review 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;
- (5) Monitor the compliance of Code of prevention of insider trading framed by the Company;

## INDIAN SUCROSE LIMITED

- (6) Effect dematerialization of shares of the Company;
- (7) Such other matters as per the directions of the Board of Directors of the Company which may be considered necessary in relation to shareholders and investors of the Company.

### 5.2 Composition and Attendance:

The Stakeholders Relationship Committee met 6 (Six) times during the year on 10<sup>th</sup> May, 2021, 20<sup>th</sup> September 2021, 04<sup>th</sup> November, 2021, 24<sup>th</sup> December, 2021, 20<sup>th</sup> January, 2022 and 27<sup>th</sup> March, 2022 to discharge its functions. The composition and attendance details of the members of the Stakeholders Relationship Committee is given below:

Sl. No.	Name of Committee Members	Category	Position	Number of Meetings held	Number of Meetings attended
1.	*Mr. Abhay Upadhyay	Non-Executive Independent Director	Chairman	6	6
4.	Mr. Jaitender Kumar	Non-Executive Non-Independent Director	Member	6	6
5.	Mrs. Geeta Sharma	Non-Executive – Non Independent Director	Member	6	6

\* Mr. Abhay Upadhyay resigned from the post of chairmanship of the committee on 26.08.2022, Mr. Ashish Singh Yadav will act as chairman of the Committee w.e.f. 26.08.2022, appointed as non – executive, Independent director at the board meeting of the company held on 26.08.2022, to hold office till the conclusion of 31<sup>st</sup> AGM of the Company.

### 5.3 Compliance Officer:

Mrs. Anamika Raju, Company Secretary, was the compliance officer for complying with requirements of Securities Laws and Listing Regulations with stock exchange. The contact details of Compliance officer are as follow:

Mrs. Anamika Raju  
Company Secretary  
Ph. Number: +91-9115522304  
Email: isl.investor@yaducorporation.com

### 5.4 Details of Complaints / Queries received and redressed during 1st April, 2021 to 31st March, 2022:

The table below gives the number of complaints received and resolved during the financial year and pending as on 31 March 2022: -

Number of shareholders' complaints pending at the beginning of the year	Number of shareholders' complaints received during the year	Number of shareholders' complaints redressed during the year	Number of shareholders' complaints pending at the end of the year
0	2	2	0



## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the year under review, the Corporate Social Responsibility Committee comprised of 3 directors out of which 1 Directors is Independent Director and 2 are Non - Executive Non Independent Director. Mr. Abhay Upadhyay is Independent director. Mrs. Geeta Sharma and Mr. Jaitender Kumar are Non - Executive Non - Independent Directors in the Committee.

### 6.1 TERMS OF REFERENCE OF THE COMMITTEE:

- (1) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;
- (2) to finalize a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution / implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Companies Act 2013;
- (3) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (4) monitor the Corporate Social Responsibility Policy of the company from time to time;
- (5) review the CSR report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board report.

### 6.2 Composition and Attendance:

The Corporate Social Responsibility Committee met 2 (two) time during the year on 30<sup>th</sup> June, 2021 and 27<sup>th</sup> March, 2022 to discharge its functions. The composition and attendance details of the members of the Stakeholders Relationship Committee is given below:

Sr. No.	Name of Committee Members	Category	Position
1.	*Abhay Upadhyay	Non-Executive – Independent Director	Chairman
2.	Geeta Sharma	Non-Executive – Non Independent Director	Member
3.	Jaitender Kumar	Non-Executive Non-Independent Director	Member

\* Mr. Abhay Upadhyay resigned from the post of chairmanship of the committee on 26.08.2022, Mr. Ashish Singh Yadav will act as chairman of the Committee w.e.f. 26.08.2022, appointed as non – executive, Independent director at the board meeting of the company held on 26.08.2022, to hold office till the conclusion of 31<sup>st</sup> AGM of the Company.

## 7 INFORMATION OF GENERAL BODY MEETINGS

7.1 The details of last three Annual General Meetings (AGMs) and the Special Resolutions passed thereat are as under:

AGM	Financial Year	Venue of AGM	Day and date	Time
28 <sup>th</sup>	2018-19	G.T. Road, Mukerian – 144211, Distt. Hoshiarpur (Punjab)	Monday, 30 <sup>th</sup> September, 2019	11.00 A.M.

## INDIAN SUCROSE LIMITED

29 <sup>th</sup>	2019-20	Through Video Conferencing (VC)	Wednesday, 30 <sup>th</sup> September, 2020	10.00 A.M.
30 <sup>th</sup>	2020-21	Through Video Conferencing (VC)	Thursday, 30 <sup>th</sup> September, 2021	10.30 A.M.

### 7.2 Special Resolutions:

The following are the details of Special Resolutions passed at the last three AGMs.

Date	Summary of Special Resolutions Passed
30 <sup>th</sup> September, 2019	1) To re – appoint Mr. Kunal Yadav as Executive Chairman cum Managing Director of the Company and to fix his remuneration. 2) To approve Inter corporate loan and investment of the Company.
30 <sup>th</sup> September, 2020	1) To amend Memorandum of Association of the Company.
30 <sup>th</sup> September, 2021	1) To advance any loan including any loan represented by a book debt or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested. 2) To amend Articles of Association of the Company.

In addition to remote e-voting, the company offered the e-Voting facility to the members who are present in e-AGM, but could not vote through remote e-voting pursuant to Rule 20 of the Companies (Management & Administration) Rules, 2014.

The Board of Directors at their meeting held on 26<sup>th</sup> March, 2021, approved the notice of Postal Ballot, for issuance of 42,55,319 fully convertible warrants on preferential basis to the person belonging to promoter and promoter group category. Further on 30<sup>th</sup> April, 2021 the shareholders approved the same by way of Special Resolution through postal ballot as per the provisions of section 110 of the Companies Act, 2013 read with applicable rules made thereunder.

## 8. MEANS OF COMMUNICATIONS WITH SHAREHOLDERS

The quarterly/half yearly/un-audited/audited financial results of the company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors. These results are simultaneously posted on the web address of the company at [www.muksug.in](http://www.muksug.in)>investors>financials, pursuant to Regulation 47 of Listing Regulations.

The results of the company were published in the following local and national dailies:

1. The Financial Express (English language)
2. Jansatta (Vernacular language)

## 9.WEBSITE

The Company's web address is [www.muksug.in](http://www.muksug.in). The website contains a complete overview of the company. The company's annual report, financial results, details of its business, shareholding pattern, compliance with Corporate Governance, contact information of the designated officials of the Company,

who are responsible for assisting and handling investor grievances and code of conduct are uploaded on the website.

## **10. PRESS RELEASES**

Press reports are given on important occasions. They are sent to Stock Exchanges and also placed on the company's website [www.muksug.in](http://www.muksug.in).

## **11. BSE CORPORATE COMPLIANCE & LISTING CENTRE**

BSE's Listing Centre is a web-based application designed by BSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

## **12. SEBI COMPLAINTS REDRESS SYSTEM (SCORES)**

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

## **13. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)**

Management Discussion and Analysis Report is made in conformity with Regulation 34(2)(e) of the Listing Regulations and is attached to the Board's Report forming part of the Annual Report of the Company.

## **14. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a 'Policy for Prevention of Sexual Harassment' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the Redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 and the rules thereunder.

- a. number of complaints filed during the financial year: NIL
- b. number of complaints disposed of during the financial year: NA
- c. number of complaints pending as on end of the financial year: NA

## **15. GENERAL SHAREHOLDER INFORMATION**

### **15.1 Annual General Meeting:**

Date: 30<sup>th</sup> September, 2022

Time: 10:30 a.m.

Venue: Video Conferencing

## INDIAN SUCROSE LIMITED

### 15.2 Financial Calendar:

The Financial Year of the Company is for a period of 12 months from 1st April to 31st March.

<b>Tentative Financial Calendar 2022-2023</b>	
1 <sup>st</sup> quarter results	Declared on 26 <sup>th</sup> August, 2022
2 <sup>nd</sup> Quarter/Half Yearly Results	On or before 14 <sup>th</sup> November, 2022
3 <sup>rd</sup> Quarter Results	On or before 14 <sup>th</sup> February, 2023
4 <sup>th</sup> quarter Results / Year end Results	On or before 30 <sup>th</sup> May, 2023

**15.3 Book Closure:** Saturday, 24<sup>th</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022. (both days inclusive)

**15.4 Dividend payment Date:** During the year under review, the Directors have not recommended any dividend.

**15.5 Listing on Stock Exchanges:** Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	ISIN	Script Code	Address
BSE Limited	INE557C01017	500319	25 <sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001

The Company has paid Annual Listing Fees for the financial year 2022-23 to BSE Limited.

### 15.6 Market Price data:

(a) The Market and volume of the Company's share traded on BSE Limited during the financial year 2021-22 were as under:

Month	High Price	Low Price	No. of Shares
April, 2021	26	21	251272
May, 2021	43.1	24.5	1651447
June, 2021	45	29	882584
July, 2021	71.9	46.5	1553686
August, 2021	65.75	46.9	468592
September, 2021	52.05	42.1	289253
October, 2021	56.25	43	276732
November, 2021	48.6	41.5	229723
December, 2021	49.55	39.5	342556
January, 2022	59.85	45	739421
February, 2022	74	48.5	989446
March, 2022	84.8	53	1014254

(b) Performance of the Company's equity shares in comparison to BSE (Sensex) during 01.04.2021 to 31.03.2022:

## INDIAN SUCROSE LIMITED

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TradingView

### 15.7 Registrars and Transfer Agents:

(for both Demat and Physical segments)

MCS share Transfer Agent Limited

F-65, 1<sup>st</sup> Floor, Okhla 1,

Okhla, Industrial Area, New Delhi - 110020

Tel No: 011-41406149

E-mail id: [helpdeskreply@mcsregistrars.com](mailto:helpdeskreply@mcsregistrars.com)

Website: [www.mcsregistrars.com](http://www.mcsregistrars.com)

### 15.8 Distribution of Shareholding as on 31<sup>st</sup> March, 2022:

Share Range		Number of Shares	Folio No.	% of total Shares	No. of Shares Holders
From	To				
1	500	2999216	18257	19.3976	93.7892
501	1000	510989	648	3.3048	3.3289
1001	2000	419964	271	2.7161	1.3922
2001	3000	267807	106	1.7321	0.5445
3001	4000	159333	44	1.0305	0.2260
4001	5000	188028	40	1.2161	0.2055
5001	10000	428453	58	2.7710	0.2980
10001	50000	497501	30	3.2176	0.1541
50001	100000	289709	4	1.8737	0.0205
100001	*****	9700807	8	62.7404	0.0411
<b>Total</b>		15461807*	19466	<b>100.00</b>	<b>100.00</b>

## INDIAN SUCROSE LIMITED

\* Pursuant to conversion of warrants on 26<sup>th</sup> March, 2022, 15,90,000 equity shares of Rs.10 each issued at a premium of Rs. 13.50 to promoter/promoters group which results total number of shares 17051807 at the end of 31<sup>st</sup> March, 2022. However, the Listing approval appertain to said allotment have been received by Bombay Stock exchange on 28<sup>th</sup> April, 2022, hence the said data is not updated on depository records till 31.03.2022.

### 15.9 Category wise shareholding as on 31st March 2022:

Sr. No.	Category	No. of Shares held	Percentage of Shareholding
1.	Promoters and Promoter Group	10880807	63.81
2.	Mutual Funds, Alternate Investment Funds and UTI	9433	0.06
3.	Financial Institutions, Banks, Insurance Companies and Central/State Government	500	0.00
4.	Foreign Portfolio Investors, Foreign Institutional Investors, NRIs and Foreign Banks	0	0
5.	NBFCs registered with RBI	0	0
6.	Bodies Corporate	1155154	6.77
7.	Individuals	5005913	29.35
8.	IEPF	0	0
9.	Trusts	0	0
10.	Hindu Undivided Family	0	0
11.	Clearing Members	0	0
12.	Overseas Bodies Corporates	0	0
	<b>Total</b>	<b>17051807</b>	<b>100.00</b>

### 15.10 Dematerialization of shares and liquidity:

The Shares of the Company are compulsorily traded in DEMAT form in the Stock Exchanges where they are listed. The Shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31st March, 2022, 14422752 Equity Shares of the Company (representing 84.58% of the total issued equity capital) were held in dematerialized form and 2629055 equity shares (representing 15.42 of the total issued equity capital) were held in physical form. Registrar and Transfer Agent are appointed for transfer of shares in dematerialization mode and in physical mode. The Shares of the Company are actively traded at BSE Limited, Mumbai (BSE).

### 15.11 Mandatory Dematerialization

SEBI in June, 2018 has amended Regulation 40 of the Listing Regulations prohibiting transfer of shares held in physical mode from 01.04.2019. By further amendment in January, 2022 SEBI prohibited transposition and transmission of shares and other transactions in securities held in physical form. Hence shareholders are advised to convert their physical holdings into demat form.

### 15.12 Nomination Facility:



Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit to the Registrar and Transfer Agent in the Form SH-13 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. Pursuant to SEBI Circular dt. 03.11.2021 nomination forms were dispatched to shareholders on December 18, 2021. which can be had on request or download from Company /MCA website. In the case of Demat holding, shareholders shall submit the same to their respective Depository Participants. for this purpose, Shareholders may write to the Secretarial Department of the Company for a copy of the Form.

#### **15.13 PAN/BANK**

- SEBI vide circular dt.27th April '07 has made PAN as the sole identification number for all participants transacting in the securities market irrespective of the amount of such transaction.
- SEBI vide circular dt.27th January '10 has made it mandatory to furnish a copy of PAN for transmission and transposition of shares.
- SEBI vide Circular dt.20.4.18 has advised listed companies through their RTA to seek PAN / Bank details of shareholders holding shares in Physical form. Necessary communication in this regard was sent to shareholders by post followed by reminders in 2018. Shareholders are advised to provide these details without delay.
- SEBI vide Circular dated 03.11.21/04.12.21 advised the listed entities to seek PAN, KYC and nomination details from the shareholders holding shares in physical advised the listed entities to seek PAN, KYC and Nomination Details from the shareholders holding shares in physical form. Detailed communication alongwith required forms and the consequences of not submitting the same were dispatched to shareholders on December 18, 2021. The same communication is available under investor tab in downloadable form in the website of the company. Shareholders are advised to send the same immediately.

#### **15.14 Outstanding GDRs / ADRs /Warrants or any Convertible Instruments, conversion date and likely Impact on Equity:**

As on 31 March 2022, there are no Outstanding GDRs/ADRs/Warrants or any Convertible instruments

#### **15.15 Commodity price risk or foreign exchange risk and hedging activities**

Your Company does not deal in any commodity risk or foreign exchange or hedging activities and hence is not directly exposed to any commodity price risk.

#### **15.16 Plant locations**

G.T. Road, Mukerian – 144211, Distt. Hoshiarpur (Punjab), India

**15.17 Address for Correspondence**

Sr. No.	Details	Address
1	Shareholders Correspondence for transfer/Dematerialization of shares and any other query related to shares should be directed to	MCS share Transfer Agent Limited F-65, 1 <sup>st</sup> Floor, Okhla 1, Okhla, Industrial Area, New Delhi - 110020 Tel No: 011-41406149 E-mail id: <a href="mailto:helpdeskreply@mcsregistrars.com">helpdeskreply@mcsregistrars.com</a> Website: <a href="http://www.mcsregistrars.com">www.mcsregistrars.com</a>
2	All other queries on Annual Report, dividend and other clarification may be addressed to the registered office of the Company at	G.T. Road, Mukerian – 144211, Distt. Hoshiarpur (Punjab) Phone: 91-9115110651/52, Fax:+91-1883-244532 E-mail: <a href="mailto:isl.investor@yaducorporation.com">isl.investor@yaducorporation.com</a> .

**15.18 Exclusive email ID for Investor benefit**

Pursuant to SEBI’s directive and Regulation 46(2) (j) of listing Regulations, the company has created an exclusive Email ID [isl.investor@yaducorporation.com](mailto:isl.investor@yaducorporation.com) for Redressal of investor grievances. Queries posted on Company website would also get routed to this Email ID for prompt response.

**16 Credit Ratings**

During the financial year 2021-22, Details of Credit Rating obtained for facilities availed from bank are as under:-

Instrument/ Facilities	Amount (Rs. Crore)	Rating
Long Term Bank Facilities	150.00	IVR BB+/positive outlook (IVR double B plus with positive Outlook)
Proposed Long Term/Short Term Bank Facilities	25.00	IVR BB+/IVR A4 + (IVR Double B Plus with positive Outlook /IVR A four plus)

**17 OTHER DISCLOSURE**

**17.1** All transactions entered into by the Company with related parties as defined under the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), during the financial year 2021-22 were in the ordinary course of business and on arm’s length pricing basis and attract the provisions of Section 188 of the Act. All related party Transactions are placed before the Audit Committee. Disclosure of transactions with related parties is provided in notes to the financial statements, forming part of this report. There were some materially significant transactions with the related parties during the financial year which were not in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the Annual Report. The policy on dealing with related party transactions is available on website of the company at [www.muksug.in](http://www.muksug.in)>about us>policy.

## INDIAN SUCROSE LIMITED

**17.2** There were no instances of non – compliance by the Company and no penalties/strictures were imposed on the Company by Stock Exchanges/SEBI/any statutory authority on any matter related to capital matters, during the last 3 years under review except as mentioned below:

- During the year under review, under regulation 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) Report on Corporate Governance for the quarter ended March, 2022 filed delayed, consequent to which BSE imposed penalty to the Company pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, The company has paid the requisite penalties to the BSE within the stipulated time period.
- During the year under review, under regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) Report on Related Party Transactions for the half year ended March, 2022 filed delayed, consequent to which BSE imposed penalty to the Company pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, The company has paid the requisite penalties to the BSE within the stipulated time period.
- During the year under review, under regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) Financial Result for the quarter and year ended March, 2022 filled delayed. Consequent to which BSE imposed penalty to the Company pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, The company has paid the requisite penalties to the BSE within the stipulated time period
- During the year under review, under regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) quarter and nine month ended December, 2021 filled delayed. Consequent to which BSE imposed penalty to the Company pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, The company has paid the requisite penalties to the BSE within the stipulated time period
- During the year under review, under regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) Financial Result for the quarter and half year ended September, 2021 filled delayed. Consequent to which BSE imposed penalty to the Company pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, The company has paid the requisite penalties to the BSE within the stipulated time period.
- During the year under review, under regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) Financial Result for the quarter and June, 2021 filled delayed. Consequent to which BSE imposed penalty to the Company pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, The company has paid the requisite penalties to the BSE within the stipulated time period.
- During the year under review, under regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) the Board Meeting of the company to consider and approve the Unaudited Financial Results for the Quarter ended 31<sup>st</sup>, December, 2020 was scheduled to be held on 13<sup>th</sup> February, 2021. However, due to lack of quorum the Board Meeting automatically stands adjourned on 20<sup>th</sup> February, 2021 subject to the provision of section 174(4) of the Companies Act, 2013, consequent to which BSE imposed penalty to the Company pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, The company has paid the requisite penalties to the BSE within the stipulated time period.
- During the year under review, under regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) the Board Meeting of the Company to

consider and approve the Unaudited Financial Results for the Quarter ended 30<sup>th</sup> September, 2020 was held on 14<sup>th</sup> December, 2021. Consequent to non – availability of staff due to COVID -19 impact. Consequent to which BSE imposed penalty to the Company pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, The company has paid the requisite penalties to the BSE within the stipulated time period.

- During the FY 2019-2020, Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) the Company had uploaded the Annual Report within the stipulated time period, due to oversight, BSE imposed penalty on the company, and the company has paid the requisite amount within the stipulated time period, subsequently, the imposed penalty had been adjusted against the Listing Fees.

During the year under review, Office of the Registrar of Companies, Punjab and Chandigarh, issued order under section 206(1) of the Companies Act, 2013, pursuant to which the Company has submitted the satisfactory reply to the Registrar of Companies, Punjab and Chandigarh, in the year 2020 within the stipulated time period. Proceedings are still in process, shortly, the issues will be resolved, pleasingly.

### **17.3 Vigil Mechanism:**

The Company has in place Board approved Policy on Breach of Integrity and Whistle Blower (Vigil mechanism). The Policy was framed with an objective to deal with issues pertaining to integrity, encouraging the employees and Directors of the Company to raise any concern about Company’s operations and working environment, including possible breaches of company’s policies and standards, without fear of adverse managerial action being taken against such employees.

It provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of any code of conduct or policy in force. Instances of such suspected or confirmed incident of fraud/misconduct may be reported on the designated email id i.e. [isl.investor@yaducorporation.com](mailto:isl.investor@yaducorporation.com).

Whistle blower Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee. The mechanism also provides for adequate safeguards against victimization of employees to avail of the mechanism and in exceptional cases direct access to the Chairman of the Audit Committee to report instances of fraud/misconduct. During the year under review, no employee was denied access to the Audit Committee. The said Policy may be referred to, at the website of the Company at its web link i.e. <https://muksug.in>about> us >policy.

**17.4** The policy for determining ‘material’ subsidiaries is available on website of the company: [www.muksug.in>about](http://www.muksug.in>about) us >policy.

**17.5** The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15th November, 2018 is not required to be given.

**17.6** There were no instances of raising of funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations. However, the Board of Directors at their meeting held on 26<sup>th</sup> March, 2021 approved the notice of Postal Ballot, for issuance of 42,55,319 fully convertible warrants on preferential basis to the person belonging to Promoter and Promoter group category. Further on 30<sup>th</sup> April, 2021 the Shareholders approved the same by way of Special resolution through postal ballot as per the provisions of Section 110 of the companies Act, 2013 read with applicable rules made thereunder.

## INDIAN SUCROSE LIMITED

**17.7** In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its mandatory committees.

**17.8** The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for financial year 2021-22.

**17.9** Disclosure with respect to demat suspense account/ unclaimed suspense account: **Not applicable.**

**17.10** 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.

**17.11** During the financial year 2021-2022, the total fees for all services paid by the company, on consolidated basis, to statutory auditor and all entities in the network firm/network entity of statutory auditor was Rs. 5,87,500/- (Rupees Five Lakh Eighty Seven Thousand Five Hundred only).

**17.12** Regulation 33 (d) of the Listing Regulations stipulates that limited review/audit reports shall be given only by an Auditor who has subjected himself to the peer review process and holds a valid certificate issued by the Peer Review Board of the ICAI. The statutory auditors of the Company M/s SSVS & Co. have undergone the peer review process and been issued requisite certificate that was placed before the Audit Committee.

**17.13** The company has formed internal policy for preservation of records. This policy covers all records of the Company whether in paper or digital form and applies to all departments and business functions of the Company.

**17.14** Quarterly Financial Results (unaudited –limited reviewed) are approved by the Board on the recommendations of the Audit Committee. These are filed with BSE, online, after the conclusion of the Board Meeting besides publication of the abstract of the results in dailies as required, within the stipulated time. These are also immediately posted on the Company website i.e. [www.mukug.in](http://www.mukug.in).

**17.15** The Company has submitted for each of the four quarter during FY 2021-22 the Compliance Report on Corporate Governance to Stock Exchanges with or without penalty.

**17.16** Pursuant to Regulation 30 of the Listing Regulations, the company discloses the information/events specified under Schedule III of the Listing Regulations and also based on the materiality threshold determined by the Board of Directors to the Stock Exchanges and concurrently uploaded in Company's website.

**17.17** Quarterly reports are filed under specified modes with BSE Ltd Through 'BSE Listing Centre'.

**17.18:** - During the year under review, Ms. Kunj Deep Kalra, former Non – Executive Director on Board of Indian Sucrose Limited (Part of Promoter Group) filed a *suo-moto* Settlement Application bearing No. 6477 of 2021 to amicably settle inadvertent disclosure non-compliances under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015, during May, 2018 in the matter of Indian Sucrose Ltd. Pursuant to which, the matter was settled with SEBI and the settlement order in this respect was issued on July 25, 2022

**17.19** The Company is required to maintain cost records as specified u/s 148(1) of the Act. The Company maintains such accounts and records in respect of sugar and cogeneration of power. Pursuant to section 148 of the Act, the company has appointed M/s Khushwinder Kumar & Co., Cost Accountants (Firm Regn. No.



100123), Punjab to undertake cost audit of the FY2021-22. Their remuneration was approved by the shareholders at the 30<sup>th</sup> AGM.

**17.20** The Company has complied with all applicable Secretarial Standards during the year. Mr. L.K. Singh, a practicing Company Secretary (CP. No. 8544) was appointed to undertake the Secretarial Audit of the Company for FY 2021-22. The Secretarial Audit Report was placed before the Board on 31<sup>st</sup> August, 2022. It is annexed to Board's Report.

**17.21** SEBI vide circular dt.8<sup>th</sup> Feb'19 has mandated all listed companies to file Annual Compliance Certificate issued by Practicing Company Secretary with Stock Exchange within 60 days of the end of the financial year. The Company has obtained the certificate from Shukti Ojha, PCS that will be filled with the Stock Exchange in time.

**17.22** The Company has appointed M/s Davinder Pal Singh & Co., Chartered Accountants (Firm Regn. No. 007601N) Punjab, to conduct Internal Audit of the functions and activities of the Company for FY 2021-22. The Internal Auditor reports directly to the Audit Committee.

**17.23** SEBI has mandated the inclusion of Business Responsibility Reports as part of the Annual Reports for listed entities that is currently applicable for top 1000 listed entities. Our company is not covered by this.

**17.24** SEBI has mandated formulation of Dividend Distribution Policy for top 500 listed entities and disclosure of the same in the Annual Reports and websites of the Company. Our Company is not presently covered by this.

**17.25 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements relating to Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), have been appropriately complied with except as mentioned in 16.2 above and the status of non-mandatory(discretionary) requirements is given below:

- a. **The Board:** Since the Company has an Executive Chairman, the requirement regarding non—executive chairman is not applicable.
- b. **Shareholder Rights:** The Quarterly, Half-yearly and Annual financial results are published in newspapers, uploaded on company's website [www.muksug.in](http://www.muksug.in) and same are not being sent to the shareholders.
- c. **Modified Opinion(s) in Audit Report:** It is always the Company's endeavor to present unmodified financial statements. However, during the FY2021-22 the audit reports contains with some observations and comments, Management remarks against such observations duly given in the Board Report.
- d. **Separate posts of Chairperson and CEO:** Since the Company does not have CEO, the requirement regarding separate posts of the Chairperson and CEO is not applicable: and
- e. **Reporting of Internal Auditor:** The Internal Auditor of the Company reports directly to the Audit Committee.



**17.26 AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:**

As required under Regulation 34 of the Listing Regulations, the auditors' certificate on Corporate Governance is annexed as **Annexure A** to this Report.

**17.27 CEO/CFO CERTIFICATION:**

Since the company does not have CEO, the certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CFO and Chairman of the Company was placed before the Board. The same is provided as **Annexure B** to this report.

**17.28 CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

A certificate from a Company Secretary in practice certifying that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority same is provided as **Annexure C** to this report.

For and on behalf of the Board

Date: 31<sup>st</sup> August, 2022  
Place: Mukerian

Kunal Yadav  
Managing Director  
(DIN: 01338110)

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

To The Members,  
Indian Sucrose Limited,

We have examined the compliance of conditions of Corporate Governance by Indian Sucrose Limited (“the Company”) for the year ended on March 31, 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance 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.

D.K. Dubey & Associates  
(Company Secretaries)

D.K. Dubey  
Proprietor  
M.No-7898  
COP No.:8882

Date: 29.08.2022  
Place: New Delhi  
UDIN:F007898D000869682

**CERTIFICATION IN TERMS OF REGULATION 17(8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**The Board of Directors  
The Indian Sucrose Limited**

We, the undersigned in our respective capacities as Chairman and Managing Director and Chief Financial Officer of Indian Sucrose Limited, certify to the Board in terms of regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 that we have reviewed the Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended 31 March 2022.

1. To the best of our knowledge and belief, we certify that:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading.

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(iii) There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

2. For the purpose of Financial Reporting, we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

3. We have indicated to the Auditors and the Audit Committee:

(a) significant changes, if any, in the internal controls over financial reporting during the year.

(b) significant changes, if any, in the accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and

(c) instances of significant fraud, if any, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For Indian Sucrose Limited**

**Kunal Yadav  
Chairman & Managing Director**

**Ravinder Sharma  
Chief Financial Officer**

**Place: Mukerian**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,

**The Members of  
INDIAN SUCROSE LIMITED  
G.T Road Mukerian, Distt. Hoshiarpur,  
Punjab-144211**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Indian Sucrose Limited having CIN: L15424PB1990PLC010903 and having registered office at G. T. Road, Mukerian Distt. Hoshiarpur, Punjab-144211 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st 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 such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Appointment in Company</b>
1.	Kunal Yadav	01338110	05/02/2008
2.	Abhay Upadhyay	08434768	29/05/2019
3.	Neeraj Bansal	02879371	12/10/2020
4.	Shriram Agrawal	07147618	14/12/2020
5.	Jaitender Kumar	08164429	27/06/2018
6.	Geeta Sharma	08905164	12/10/2020

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.

**UDIN: F010341D000869848**  
**Date:29.08.2022**

Shukti Ojha  
Company Secretary in Practice  
M. No. 10341  
C.P. No. 13596

**INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF INDIAN SUCROSE LIMITED**

**Report on the Audit of the IND AS Financial Statements**

**Qualified Opinion**

We have audited the accompanying financial statements of **INDIAN SUCROSE LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to financial statement including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, *except for the matters described in the Basis for Qualified Opinion wherein effect of basis of qualification given under para below is presently unascertainable*, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, thereof (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

*The company is holding investment in unquoted equity shares of companies. As per Ind AS -32 “financial Instrument Presentation” these financial Instruments should be presented at fair value which is presently not available. Accordingly, the same has been presented at the carrying cost of such shares based on their audited accounts as on 31/03/2021.*

We conducted our audit of the financial statements 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 Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report: -

S.NO	KEY AUDIT MATTERS	AUDITOR’S RESPONSE
1	<p><b>Revenue recognition</b>  <b>Refer to note no 2.5 to the financial statements.</b>                      The Company principally generates revenue from sale of Sugar and sale of its By-product                      We identified revenue recognition as a</p>	<p>Our audit procedures, amongst others, included the following:                      •Obtaining an understanding of the process relating to recording of sales and testing the design, implementation and operating effectiveness of relevant key internal controls over recording of sales;</p>

**INDIAN SUCROSE LIMITED**

	<p>key audit matter because it is one of the key performance indicators of the Company and gives rise to an inherent risk of misstatement to meet expectations or targets</p>	<ul style="list-style-type: none"> <li>•Assessing the appropriateness of the Company’s accounting policy for recording of sales and compliance of the policy with applicable accounting standards;</li> <li>•Comparing a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery challans and other relevant underlying documents;</li> <li>•Comparing a sample of sale transactions recorded near the year end with the sales orders, sales invoices, delivery challans and other relevant underlying documentation to assess if the sale was recorded in the appropriate accounting period;</li> <li>•Inspecting on a sample basis, credit notes issued near to and subsequent to year end to evaluate whether the adjustments to sales had been accurately recorded in the appropriate accounting period; and</li> <li>•Scanning for any manual journal entries relating to sales recorded during and near the year end which were considered to be material or other specific risk based criteria for inspecting underlying documentation.</li> </ul>
<p>2.</p>	<p><b>Capitalization of property, plant and equipment</b>  <b>Refer note no. 3 to the financial statements.</b> The Company has made significant capital expenditure on New Plant, modernization and replacement of plant and equipment.</p> <p>We identified capitalization of property, plant and equipment as a key audit matter because there is a risk that amounts being capitalized may not meet the capitalization criteria with related implications on depreciation charge for the year.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and testing the design, implementation and operating effectiveness of management’s key internal control over capital expenditure;</li> <li>• Comparing, on sample basis, the costs incurred on projects with supporting documentation and contracts;</li> <li>• Assessing the nature of costs incurred for the capital projects for appropriateness by comparing, on sample basis, amounts recorded with underlying documentation and considering that the expenditure meets the criteria for capitalization as per the applicable accounting standards;</li> <li>• Inspecting supporting documents for the date of capitalization when project assets were ready for its intended use to assess that depreciation commenced and further capitalization of costs ceased from that date and to assess the useful life assigned by management including testing the calculation of related depreciation</li> </ul>



3.	<p><b>Valuation of Inventories</b>  <b>Refer note no. 6 to the financial statements.</b>                  We identified valuation of inventories as a key audit matter as it involves significant management judgments in determining the carrying value of stock.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of Company’s accounting policy for valuation of stock and compliance of the policy with the requirements of the prevailing accounting standards;</li> <li>• Obtaining an understanding of internal controls over valuation of stock and testing, on a sample basis, their design, implementation and operating effectiveness;</li> <li>• Obtaining an understanding and assessing reasonableness of the management’s determination of net realizable value (NRV) and the key estimates adopted, including future selling prices and costs necessary to make the sales and their basis; and</li> <li>• Comparing the NRV, on a sample basis, to the cost of stock-in-trade to assess whether any adjustments are required to the value of stock in trade in accordance with the accounting policy.</li> </ul>
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**Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management’s Responsibility for the Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian accounting standards (Ind AS) specified under section 133 of the Act, read with the Companies( Indian Accounting Standards) Rules,2015 as amended thereof.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning

the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid financial statement.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) relevant Rules, 2015, as amended, thereof.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report express an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by

## INDIAN SUCROSE LIMITED

the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. ( Refer Note no 33 to the financial statement).
  - ii. The Company did not have any long - term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The company was not required to transfer, any amount to the Investor Education and Protection Fund.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(c) Based on 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 (2)(h)(iv) (a) and (b) above, contain any material misstatement.
  - v. The Board of Directors of the Company have not paid any Interim dividend nor proposed any dividend.

**For SSVS & Co.,  
Chartered Accountants,  
Firm Registration No.021648C**

**Place: Noida**

**Dated :16<sup>th</sup> June,2022**

**Udin:- 22074437ALBGEC5839**

**(Vipul Sharma) F.C.A  
Partner  
M.No.74437**

**ANNEXURE TO THE AUDITORS' REPORT**

**Annexure A to the Independent Auditors' Report to the members of Indian Sucrose Limited on its financial statements dated 16<sup>th</sup> June, 2022**

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

- i) (a) (A) The Company has maintained records showing particulars including quantitative details and situation of its principal Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particular Intangible Assets.
- (b) The company has physically verified the Property, Plant and Equipment. In accordance with a phased programme designed by the management to cover all the items over a period of three years which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of the immovable property as disclosed in the Property, Plant and Equipment (note No.3 to the Ind AS financial statements) are held in the name of the Company, except for the following freehold land:

Description of Property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative or employee of the promoter, director	Property held since which date	Reason for not being held in the name of company

**INDIAN SUCROSE LIMITED**

49.30 acres of Land & Building at GT Road Mukerian	2162.5	Mukerian Paper Ltd.	No	17-10-2010	Land & Building was purchased from IFCI on 17/02/2010 but registration is pending due to some dispute regarding payment of old outstanding (before purchase by ISL) of Provident Fund, under Employees Provident Fund & Miscellaneous Provisions Act, 1952 ("EPF"), liability u/s 14B damages & u/s 7Q Interest amounting to Rs.0.74 crore and Rs.0.47 crore respectively.
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(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) (a) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records in each class of inventory is less than 10% and have been properly dealt with in the books of accounts.

(b) The Company has during the year sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks on the basis of security of current assets and in absence of authenticated stock statement and other records submitted to the bank for all the quarters, we are unable to comment on any difference in Stock Statements and Books of Accounts of the company, if any

iii) a) According to information made available to us, the Company has during the year granted unsecured loan to companies other than Subsidiaries, Joint Ventures and Associates as per details here under :

Aggregate amount granted/ provided	Loan Given (Rs. in Lakhs)	Guarantee Given
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**INDIAN SUCROSE LIMITED**

<b>during the year</b>		
-Related Parties	5384.27	0
<b>Balance outstanding as at balance sheet date in respect of above cases</b>		
- Related Parties	596.75	500

Further the company not made any investment and not provided security and also has not granted advance in the nature of Loan, secured or unsecured during the year to Companies, firm, Limited Liability partnerships or other entities.

b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of loans and guarantee granted/given by the company are not prejudicial to the interest of the company.

c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest.

d) According to the information and explanation given to us and based on the audit procedure In the There are no amounts overdue for more than ninety days in respect of the loan granted to Company.

e) According to the information and explanation given to us and based on the audit procedure performed by us no loan or advance in the nature of loan granted which has fallen due during the year, or has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same party.

f) According to the information explanation provided to us, the Company has granted loans/advances in the nature of loans repayable on demand. The details of the same are as follows:

(In Lakhs)

	<b>All Parties</b>	<b>Promoters</b>	<b>Related Parties</b>
<b>Aggregate amount of loans/ advances in nature of loans -repayable on demand</b>	5379.30	-	5379.30
<b>Percentage of loans/ advances in nature of loans to the total loans</b>	100%	-	100%

**INDIAN SUCROSE LIMITED**

- iv) According to the information and explanations given to us, the company has complied with the provision of section 185 and 186 in respect of loan made during the year further the company has not given any investments through more than two layers of investment companies ,guarantees and security stated under section 185 and 186 of the Companies Act, 2013
- v) On the basis of information and explanations given to us and our scrutiny of Company's records, in our opinion, the Company has not accepted any public deposits within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules frames there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company in respect of products pursuant to the order made by the Central Government for the maintenance of the cost records under section 148 of the Act and are of the opinion that, prima-facie, the prescribed account and records have been maintained and are being made up. We however as not required have not made a detailed examination of such records with a view to determine whether these are accurate or complete.
- vii) (a) According to the information and explanations given to us the Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Goods and service tax ,Provident Fund, Income Tax, Customs Duty, Excise Duty, , Value added Tax, Cess ,Regulatory fees/administrative charges and other statutory dues applicable to it with appropriate authorities. As explained to us, the provisions of Employees State Insurance are not applicable to the Company. Further, there were no arrears of undisputed statutory dues outstanding as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the disputed statutory dues of Sales tax, Excise duty and Income Tax aggregating to Rs 946.10 Lakhs that have not been deposited are given below: -

Name of Statue	Nature of Dues	Financial year to which it pertains	Amount (Rs. In Lakhs)	Forum where dispute is pending
Sales Tax Laws	Sales Tax	1997-1998	5.67	Deputy Excise & taxation Commissioner (Appeal)

**INDIAN SUCROSE LIMITED**

Sales Tax Laws	Purchase Tax	1999-2000	16.64	Punjab and Haryana High Court
		2000-2001 & 2001-2002	39.59	DETC, Jalandhar
		2002-2003 & 2003-2004	36.73	DETC, Jalandhar
		2004-2005	30.16	DETC, Jalandhar
		2006-2007	157.38	VAT Tribunal
		2007-2008	163.82	VAT Tribunal
		2008-2009	112.32	DETC, Jalandhar
		2009-2010	109.74	VAT Tribunal
		2010-2011	232.56	DETC, Jalandhar
		2011-2012	41.49	DETC, Jalandhar

Further, in respect of Custom Duty, Value added Tax and Cess, , it has been informed that there are no dues, which have not been deposited on account of any dispute.

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) (a) In our opinion and according to the information and explanations company has not defaulted in repayment of Loans or other borrowings or in the payment of interest thereon to any lender *except in the following case: -*

Nature of Borrowings, including debt securities	Name of Lenders	Amount not paid on due date	Whether Principal or Interest	No of delays or unpaid	Remarks, if any
Term Loan	PNB	1909.18	Both	1-30 days	
Vehicle Loan	PNB	1.96	Both	1-30 days	
	HDFC	4.30	Both	1-30 days	
	ICICI	42.30	Both	1-30 days	

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or by any other lender.
- (c) Based upon the audit procedures performed and the information and explanations given by

## INDIAN SUCROSE LIMITED

the management, on overall basis the term loans were applied for the purpose for which they were taken.

- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has does not have any subsidiary, hence clause no 3(ix)(e) is not applicable to the company.
- (f) On an overall examination of the financial statements of the Company, the Company has does not have any subsidiary, joint venture or Associate company hence clause no 3(ix)(f) is not applicable to the company.
- x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, and based on our examination of the records, the Company has made preferential allotment to the person/entity belonging to the promoter category pursuant to conversion of warrants during the year and has complied with requirements of Section 42 and section 62 of the Act and utilized the same for the purposes for which they were taken.
- xi) (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by applicable Indian Accounting Standard.
- xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

**INDIAN SUCROSE LIMITED**

- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) On the basis of examination and explanations given by the management of the company there is no ongoing project in respect of CSR hence clause xx(b) is not applicable.

**For SSVS& Co.,  
Chartered Accountants,  
Firm Registration No.021648C**

**Place: Noida**

**Dated : 16<sup>th</sup> June,2022**

**UDIN:- 22074437ALBGEC5839**

**(Vipul Sharma) F.C.A  
Partner  
M.No.74437**

**Annexure - B to the Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Indian Sucrose Limited** ("the Company") as at 31 March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For SSVS& Co.,  
Chartered Accountants,  
Firm Registration No.021648C**

**Place: Noida**

**Dated : 16<sup>th</sup> June, 2022**

**(Vipul Sharma) F.C.A  
Partner  
M.No.74437**

**UDIN:- 22074437ALBGEC5839**



**INDIAN SUCROSE LIMITED**

# INDIAN SUCROSE LIMITED

Balance sheet as at 31st, March-22

(In Lakhs)

	Particulars	Note No.	As at 31-Mar-2022	As at 31-Mar-2021
	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	9,971.64	10,163.24
	(b) Capital work in progress		9,144.44	5,991.43
	(c) Intangible assets		32.38	-
	(d) Financial assets		-	-
	(i) Investments	4	126.08	138.03
	(e) Other non current assets	5	1,004.86	2,224.01
	<b>Total non-current assets</b>		<b>20,279.40</b>	<b>18,516.71</b>
2	<b>Current Assets</b>			
	(a) Inventories	6	18,985.05	19,095.42
	(b) Financial assets			
	(i) Trade Receivables	7	7,108.80	7,375.00
	(ii) Cash and cash equivalents	8	1,456.87	293.90
	(iii) Other Bank Balances (other than (iii) above)	9	548.42	2,374.69
	(iv) Loans	10	596.75	-
	(iv) Other financial assets	11	443.02	652.87
	(c) Current tax assets (net)	12	209.84	5.97
	(d) Other current assets	13	842.95	766.42
	<b>Total current assets</b>		<b>30,191.71</b>	<b>30,564.28</b>
	<b>TOTAL ASSETS</b>		<b>50,471.11</b>	<b>49,080.99</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Share capital	14	1,705.18	1,542.10
	(b) Other equity	15	13,467.82	9,540.26
	<b>Total Equity</b>		<b>15,173.00</b>	<b>11,082.35</b>
1	<b>Non Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	16	5,276.06	6,052.46
	(b) Provisions	17	320.81	286.77
	(c) Deferred Tax liabilities	18	675.25	1,829.57
	<b>Total non-current liabilities</b>		<b>6,272.13</b>	<b>8,168.79</b>
2	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	19	12,721.85	14,360.80
	(ii) Trade payables	20	<b>12,859.42</b>	<b>12,511.45</b>
	<i>Outstanding Dues of Micro and Small Enterprises</i>		26.21	24.66
	<i>Outstanding Dues of Other Than Micro and Small Ent.</i>		12,834.21	12,486.79
	(iii) Other financial liabilities	21	258.45	138.07
	(b) Other current liabilities	22	1,665.39	1,890.42
	(c) Provisions	23	1,520.89	929.10
	<b>Total Current liabilities</b>		<b>29,025.99</b>	<b>29,829.85</b>
	<b>Total Equity and liabilities</b>		<b>50,471.11</b>	<b>49,080.99</b>
	Corporate Information	1		
	Significant Accounting Policies	2		

As per our report of even date attached  
For SSVS & Co.  
Chartered Accountants  
Regn. No.-021648C

For and on behalf of Board of Directors

(Vipul Sharma)  
**Partner**  
M. No.-74437  
UDIN :22074437ALBFYC2412

Kunal Yadav  
Chairman & Managing Director  
(DIN:01338110)

Jaitender Singh  
Director  
(DIN:08164429)

Place: Mukerian  
Date : 16.06.2022

Ravinder Sharma  
Chief Financial Officer

Anamika Raju  
Company Secretary

# INDIAN SUCROSE LIMITED

## Statement of Profit and Loss Account for the Year Ended 31st, March-2022

	Particulars	Note No.	Figures for the	
			Current Reporting Period 31-Mar-2022 ( In Lakhs)	Current Reporting Period 31-Mar-2021 ( In Lakhs)
I	Revenue from Operations	24	44,276.75	43,058.01
II	Other Income	25	731.06	363.36
III	<b>Total Revenue</b>		<b>45,007.81</b>	<b>43,421.37</b>
IV	<b>Expenses</b>			
	Cost of Material Consumed	26	30,546.46	30,645.24
	Changes in Inventories of Finished Goods, Work-In-Progress	27	862.58	2,927.21
	Employee Benefits Expenses	28	1,161.44	1,080.29
	Finance Costs	29	1,901.17	1,811.90
	Depreciation and Amortisation Expenses	30	694.97	757.78
	Other Expenses	31	5,806.40	3,142.11
	<b>Total expenses</b>		<b>40,973.02</b>	<b>40,364.53</b>
V	Profit before exceptional items and tax		-	-
VI	<b>Exceptional Items</b>			
VII	<b>Profit before Tax</b>		<b>4,034.79</b>	<b>3,056.84</b>
VIII	<b>Tax Expense :</b>			
	Current Tax		1,436.22	878.55
	Earlier Year Tax		11.58	(107.02)
	Deferred Tax liability		(1,140.41)	48.13
	<b>Total Tax Expense</b>		<b>307.39</b>	<b>819.66</b>
IX	<b>Profit for the period from Continuing Operations (VII-VIII)</b>		<b>3,727.40</b>	<b>2,237.18</b>
X	<b>Profit for the Year</b>			
XI	<b>Other Comprehensive Income</b>			
A	(i) Items that will not be reclassified to profit or loss		(39.79)	(87.52)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		13.90	25.49
B	(i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XII	<b>Total Comprehensive Income for the year</b>		<b>3,701.51</b>	<b>2,175.15</b>
XIII	<b>Earning per Share</b>			
	Nominal Value Rs. 10/-			
	Basic		<b>24.07</b>	<b>14.47</b>
	Diluted		<b>23.81</b>	<b>14.47</b>
	Corporate Information	1		
	Significant Accounting Policies	2		

As per our report of even date attached

For SSVS & Co.  
Chartered Accountants  
Regn. No.-021648C

For and on behalf of Board of Directors

(Vipul Sharma)  
**Partner**  
M. No.-74437  
UDIN : 22074437ALBFYC2412

**Kunal Yadav**  
Chairman & Managing Director  
(DIN:01338110)

**Jaitender Singh**  
Director  
(DIN:08164429)

Place: Mukerian  
Date : 16.06.2022

**Ravinder Sharma**  
Chief Financial Officer

**Anamika Raju**  
Company Secretary

# INDIAN SUCROSE LIMITED

Indian Sucrose Limited  
Cash Flow Statement as at 31st March-2022

(In Lakhs)

Particulars	for the year ended		for the year ended	
	31-Mar-2022		31-Mar-2021	
	Amount	Rs.	Amount	Rs.
<b>Cash Flow from operational Activities</b>				
<b>Profit Before Tax</b>		4,034.79		3,056.84
<b>Adjustments for;</b>				
Depreciation and amortisation Expenses	694.97		757.78	
Prior period expenses	(7.69)		-	
Loss/(profit) on property, plant and equipment sold net	-		(1.55)	
Interest Expenses	1,901.17		1,811.90	
Interest Income	(703.87)		(335.67)	
Amount of Excess Depreciation	(7.57)		-	
<b>Operating Profit before working Capital Changes</b>	<b>1,877.01</b>	<b>5,911.80</b>	<b>2,232.47</b>	<b>5,289.32</b>
Changes in Working Capital				
Increase/(decrease) in trade Payables and other liabilities	275.00		(9,253.65)	
Decrease/(increase)in trade and other receivables	2,225.79		(3,916.10)	
Decrease/(increase)in Non Current Assets	1,219.15		(952.80)	
Decrease/(increase) in Inventory	110.37		2,369.79	
<b>Cash Generated from Operations</b>	<b>3,830.31</b>	<b>9,742.11</b>	<b>(11,752.76)</b>	<b>(6,463.44)</b>
<b>Income tax Paid (net)</b>		<b>(1,085.37)</b>		<b>(588.34)</b>
<b>Net Cash Flow from / (used in ) Operating Activities (A)</b>		<b>8,656.74</b>		<b>(7,051.78)</b>
<b>Cash Flow from Investing Activities</b>				
Purchase of Property, Plant and equipment including	(3,681.19)		(2,751.30)	
Loan to related party	(596.75)		196.40	
Interest Received	703.87		335.67	
sale of fixed assets	-		2.00	
<b>Net cash flow from/Used in ) Investing Activities (B)</b>	<b>(3,574.07)</b>	<b>(3,574.07)</b>	<b>(2,217.23)</b>	<b>(2,217.23)</b>
<b>Cash Flow From financing Activities</b>				
Repayment of Non-current borrowings	94.07		28.04	
Proceed from issue of share capital	159.00		-	
Call in arrear received	4.09		0.23	
Proceed from issue of share warrant	19.09		-	
Received against Share premium	214.65		-	
Proceeds from current borrowings	(2,509.42)		10,628.02	
Interest Paid	(1,901.17)		(1,811.90)	
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(3,919.69)</b>	<b>(3,919.70)</b>	<b>8,845.39</b>	<b>8,845.39</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>1,162.97</b>		<b>(424.63)</b>
Cash and cash equivalents at the beginning of the year		293.90		718.53
<b>Cash and cash equivalents at the end of the year</b>		<b>1,456.87</b>		<b>293.90</b>
Comprises				
Balance with Banks in Current Account		1,329.32		238.23
Cash in Hand		127.55		55.67
		<b>1,456.87</b>		<b>293.90</b>
See Accompanying notes to the financial Statements				

As per our report of even date attached  
For SSVS & Co.  
Chartered Accountants  
Regn. No.-021648C

(Vipul Sharma)  
Partner  
M. No.-74437

For and on behalf of Board of Directors

Kunal Yadav  
Chairman and Managing Director  
(DIN:01338110)

Jaitender Singh  
Director  
(DIN:08164429)

Place: Mukerian  
Date : 16.06.2022

Ravinder Sharma  
Chief Financial Officer

Anamika Raju  
Company Secretary

# INDIAN SUCROSE LIMITED

## INDIAN SUCROSE LIMITED

Notes forming part of financial statements for the year ended 31-Mar-2022

### Statement of change in Equity

Equity Share Capital	Reporting Period 31-03-2022			Previous Year 31-03-2021		
Particulars	Balance At the Beginning of the reporting Period as at 01-04-2021	Change in Equity Share Capital During the year	Balance At the End of the reporting Period as at 31-03-2022	Balance At the Beginning of the reporting Period as on 01-04-20	Change in Equity Share Capital During the year (Call Capital)	Balance At the End of the reporting Period as at 31-03-2021
17051807 (15461807) Equity Shares of Rs.10/- each	1,542.10	163.09	1,705.18	1,546.18	(4.09)	1,542.10

The Company has allotted 159000 Equity Shares of face value of Rs. 10/- each pursuant to the conversion of 159000 Fully Convertible Warrants issued and allotted on 26.03.2022.

#### Other Equity for the year Ended 31-03-2022

Particulars	Share Application money Pending Allotment	Reserves and Surplus					Share Warrant	Total Other Equity
		Equity Components of compound Financial Instruments	Security Premium	Capital Redemption Reserve	Retained Earning	Other Comprehensive Income		
Balance as at beginning of the reporting Period 01-April 2021	-	-	664.36	15.00	8,601.30	259.59	-	9,540.26
Less: Prior Period Exp.	-	-	-	-	(7.69)	-	-	(7.69)
Profit for the period transferred from statement of profit and loss	-	-	-	-	3,727.40	(39.79)	-	3,687.60
Other Comprehensive Income for the period (net of income tax)	-	-	-	-	-	13.90	-	13.90
Add: Addition in Security Premium	-	-	214.65	-	-	-	-	214.65
Add: Money Received against Share Warrant	-	-	-	-	-	-	112.50	112.50
Less: Share Warrant converted into equity	-	-	-	-	-	-	(93.41)	(93.41)
Calls Unpaid Money Received	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period	-	-	-	-	-	-	-	-
<b>Balance as at the end of the reporting Period 31-March-2022</b>	-	-	<b>879.01</b>	<b>15.00</b>	<b>12,321.01</b>	<b>233.71</b>	<b>19.09</b>	<b>13,467.82</b>

#### Other Equity for the year Ended 31-03-2021

Particulars	Share Application money Pending Allotment	Reserves and Surplus					Share Warrant	Total Other Equity
		Equity Components of compound Financial Instruments	Security Premium	Capital Redemption Reserve	Retained Earning	Other Comprehensive Income		
Balance as at beginning of the reporting Period 01-April 2020	-	-	664.36	15.00	6,364.12	321.63	-	7,365.11
Profit for the period transferred from statement of profit and loss	-	-	-	-	2,237.18	(87.52)	-	2,149.66
Other Comprehensive Income for the period (net of income tax)	-	-	-	-	-	25.49	-	25.49
Less Adjustment of Interest subvention received from government in 2018-19 now Rectified the Entry Accordingly( IN Previous Year)	-	-	-	-	-	-	-	-
<b>Balance as at the end of the reporting Period 31-March-2021</b>	-	-	<b>664.36</b>	<b>15.00</b>	<b>8,601.30</b>	<b>259.59</b>	-	<b>9,540.26</b>

As per our report of even date attached  
For SSVS & Co.  
Chartered Accountants  
Regn. No.-021648C

For and on behalf of Board of Directors

(Vipul Sharma)  
**Partner**  
M. No.-74437

**Kunal Yadav**  
**Chairman and Managing Director**  
(DIN:01338110)

Jaitender Singh  
**Director**  
(DIN:08164428)

Place: Mukerian  
Date : 16.06.2022

**Ravinder Sharma**  
**Chief Financial Officer**

Anamika Raju  
**Company Secretary**

**Notes on Financial Statements for the year ended 31<sup>st</sup> March 2022**

**Note No. 1 Corporate Information**

Indian sucrose limited . (“ISL” or the Company) is a public limited Company incorporated and domiciled in India. The registered office of the Company is situated at GT road ,Mukerian ,Distt - Hoshiarpur -144211

The Company’s shares are listed on the BSE Limited .

The Company is engaged in the manufacture of Sugar. The financial statements of the Company are for the year ended 31<sup>st</sup> March, 2022 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded off to Lakhs, except otherwise indicated.

The financial statements for the year ended 31<sup>st</sup> March, 2022 was approved for issue by the Board of Directors of the Company on 16<sup>th</sup> June, 2022 and is subject to the adoption by the shareholders in the Annual General Meeting.

**Note No. 2 Significant accounting policies**

**2.1 Statement of compliance with Ind AS**

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards (‘Ind AS’) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended with effect from 1<sup>st</sup> April, 2016) read with Section 133 of the Companies Act, 2013.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (India Accounting Standards) Rules 2015 (As amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

**2.2 Basis of preparation**

These financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following.

- i) Certain financial assets and financial liabilities – measured at fair value and
- ii) Defined benefits plan- plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration is exchange for goods and service.

**2.3 The Company presents assets and liabilities in the balance sheet based on current/non-current classification.**

**An asset is treated as current when it is:**

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realized within twelve months after the reporting period,
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) Carrying current portion of non-current financial assets.

All other assets are classified as non-current.

**A liability is current when:**

- i) It is expected to be settled in normal operating cycle,
- ii) It is held primarily for the purpose of trading,
- iii) It is due to be settled within twelve months after the reporting period,
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- v) It includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

**2.4 Recent accounting pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16- Property Plant and equipment- The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the “cost of fulfilling ‘a contract comprises the ‘cost that relate directly to the contract’ . Cost that relate directly to a contract can either be incremental costs of fulfilling that contract ( example would be direct labor, 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) The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022 although early adoption is permitted. The company has evaluated the amendment and the impact is not expected to be material.

**2.5 Revenue recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. The Company recognizes sale of goods when the significant risks and rewards of ownership are transferred to the Buyer, usually on delivery of goods

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment net of discounts, volume rebates and excluding taxes or duties collected on behalf of the Government.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the “effective interest rate” that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s gross carrying amount.

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

All other incomes are accounted for on accrual basis.

**2.6 Expenses**

All expenses are accounted for on accrual basis.

**2.7 Property, plant and equipment and Capital work in progress (CWIP)**

All property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Free hold land is not depreciated. The cost of an asset includes the purchase cost of materials, including import duties and non-refundable/ creditable taxes and any directly attributable cost of bringing an asset to the location and condition of its intended use interest on borrowing used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major refurbishment is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in statement of profit and loss as incurred.

Directly attributable expenditure (including finance cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under CWIP, CWIP is stated at the amount expended up to balance sheet date on assets or property, plant and equipment that are not yet ready for their intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost and related accumulated depreciation are eliminated from the financial statements upon disposal/ sale or retirement of the asset and the resultant gains or losses (difference between the sale proceeds and the carrying amount of the assets) are recognized in the Statement of profit and Loss.

**2.8 Depreciation methods, estimated useful lives and residual value**

a) Depreciation on tangible fixed assets is provided on Straight Line basis so as to charge the cost of the assets or the amount substituted for costs in case of revalued assets less its residual value over the useful life of the respective asset as prescribed under part C of Schedule II to the Companies Act, 2013. Residual value has been considered as 5% of the cost of the respective assets.

b) Intangible Assets are amortized over a period of economic benefits not exceeding ten years.

c) Depreciation/amortization on assets added, sold or discarded during the year is provided on pro – rata basis.

**2.9 Intangible assets (Computer software)**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized. Computer software is amortized over a period of three years.

**2.10 Inventories**

Inventories (other than By-products) are valued at lower of cost or net realizable value.

Inventories on stock in trade are valued at lower of cost or net realizable value.

Cost of inventories has been determined on current cost.



Cost of finished goods and Work in Progress has been worked out on absorption cost basis.

By- products and residuals are valued at net realizable value.

**2.11 Government Grants**

Government grants are recognized at fair value when there is reasonable assurance that the grant would be received and the Company would comply with all the conditions attached with them.

Government grants related to PPE are treated as deferred revenue (included under non-current liabilities with current portion considered under current liabilities) and are recognized and credited in the statement of profit and loss on systematic and rational basis and included under other income.

Government grants related to revenue nature are recognized on a systematic basis in the Statement of profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate and are adjusted with the related expenditure.

(If not related to a specific expenditure, it is taken as income and presented under: other Income)

**2.12 Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred.

Preference Shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognized as finance cost in the Statement of Profit and Loss.

**2.13 Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non –cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option, and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The company revises the lease term if there is a change in the non-cancellable period of a lease.

**2.14 Provisions, contingent liabilities and contingent assets.**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability when discounting is used, the increase in the passage of time is recognized as finance costs.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that

an out flow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that can't be recognized because it can't be measured reliably.

A contingent liability is not recognized in the financial statements, but discloses its existence in the Financial Statement

When the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

**2.15 Dividend payable**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognized directly in equity.

**2.16 Foreign currency transactions**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year ended translated at the year ended rates which is likely to be realized from, or required to disburse at the balance sheet date. Exchange differences arising on settlement of monetary items at rates different from those at which they were initially recorded / reported in financial statements are recognized as income or expense in the year in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

**2.17 Employee benefits.**

- a) Short –term employee benefits are recognized as an expense at the undiscounted amount in the Statement Profit & Loss Account of the period in which the related service is rendered.
- b) Long –term employee benefits are recognized as an expense in the Statement Profit & Loss Account for the year in which the employee has rendered services.

**i.) Compensated absences**

Accumulated leave, which is expected to be utilized within next 12 months, is treated as short term employee benefit and this is shown under current provisions in the Balance Sheet. The Company treats accumulated leave expected to be carried forward beyond twelve months, as Long term employee benefits and shown under Long term provisions in the Balance sheet.

**ii.) Defined Benefit Plans**

The Company provides for retirement benefits in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using projected unit credit method at the date of Balance sheet. Actuarial gain and Losses in respect of such benefits are recognized in Statement of Profit & Loss A/c.

**2.18 Financial instruments**

A Financial instrument is any contract that gives rise to financial assets of one entity and a financial liability or equity instrument of another party.

**A. Financial Assets**

**a. Initial recognition**

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are recognized initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognized in statement of profit and loss).

**b. Subsequent measurement**

**i.) Financial assets carried at amortized cost (AC)**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii.) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iii.) Financial assets at fair value through statement of profit and loss (FVTPL)**

**Equity instruments**

All equity investments in scope of Ind AS 109 are measured at fair value either as at FVTOCI or FVTPL. The Company makes such election on instrument-by-instrument basis. For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss account.

**c. De-recognition**

A Financial Assets (or where applicable, part of financial assets) is primarily derecognized when:

1. The contractual right to receive cash flows from the assets have expired or
2. The Company has transferred its right to receive cash flow from the financial assets and subsequently all the risks and rewards of ownership of the assets to third party.

**d. Reclassification of financial assets:**

Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

**e. Impairment of financial assets**

The Company recognized loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through Statement of Profit and loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to life time ECL

For all other financial assets, expected credit loss are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

**B. Financial liabilities**

**a. Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. The Company's financial liabilities include trade and other payable, loans and borrowing including bank over drafts, financial guarantee contracts and derivative financial instruments. Fees of recurring nature are directly recognized in statement of profit and loss as finance cost.

**b. Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**i.) Loans and borrowings**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when liabilities are de-recognized. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.

**ii.) Compound financial instruments**

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortized cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognized in equity, net of income tax effects, and is not subsequently re-measured.

**c. De-recognition of financial instruments**

A financial liability is derecognized where the obligation under the liability is discharged or cancelled or expires where an existing financial liability is replaced by another from the same tender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of new liability. The difference in the respective carrying amounts is recognized in the statement of Profit and Loss.

**d. Offsetting of financial instruments**

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

**e) Fair value measurement**

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability

would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the Company being evaluated, the nature of industry in which it operates, the Company's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

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)

**f) Share capital**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

**2.19 Impairment Non-financial assets**

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal /external factor. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

An impairment loss is charged to the Statement of Profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment. 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 recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

**2.20 Taxes**

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in Other Comprehensive Income (OCI).

**Current tax**

Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the balance sheet date. The tax is recognized in statement of profit and loss, except to the extent that it related to items recognized in the OCI or in other equity. In this case, the tax is also recognized in other comprehensive income and other equity.

**Deferred tax**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred tax assets are recognized 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, and the carry forward of unused tax losses can be utilized. .

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 assets to be recovered.

Unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 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.

**2.21 Earnings per Share**

The Company presents basic and diluted earnings per share (“EPS”) data for its equity shares. Basic EPS is calculated by dividing the profit/loss before other comprehensive income/loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit/loss before other comprehensive income/loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**2.22 Non-current assets (or disposal groups) held for sale and discontinued operations**

a) Non-current assets (or disposal groups) are classified as held for sale if their carrying amount would be recovered principally through a sale/distribution rather than through continuing use and a sale/distribution is considered highly probable.

Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/ distribution would be made or that the decision to sell/distribute would be withdrawn. Management must be committed to sale/distribution expected within one year from the date of classification.

b) Immediately before the initial classification of the assets (and disposal groups) as held for sale, the carrying amount of the assets (or all the assets and liabilities in the disposal groups) are measured in accordance with their applicable accounting policy.

Non-current assets (or disposal groups) held for sale/for distribution to owners are subsequently measured at the lower of their carrying amount and fair value less costs to

## INDIAN SUCROSE LIMITED

sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

- c) Non-current assets including those that are part of a disposal group (PPE and Intangible assets) once classified as held for sale/ distribution to owners are neither depreciated nor amortized. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.
- d) Non-current assets (including assets of a disposal group) classified as held for sale are presented separately from the other assets in the Balance sheet. The liabilities of a disposal group classified as held for sale/distribution are presented separately from other liabilities in the Balance sheet.
- e) A disposal group qualifies as discontinued operation, if it is a component of equity that has either being disposed of or is classified as Held for sale, and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinate plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary exclusively with a view to resale.  
Discontinued operations are excluded from the results of continuing operations and are presented separately as a single amount as profit or loss after tax from discontinued operations in the Statement of Profit and Loss and comparative information is restated accordingly.
- f) All notes to the financial statements mainly include amounts for continuing operations, unless stated otherwise

### 2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### 2.24 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

### 2.25 Cash Flow Statement



## INDIAN SUCROSE LIMITED

Cash flows are reported using the indirect method, whereby profit/loss 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 item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **Note No. : 2 A Significant accounting judgment, estimates and assumptions**

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Company accounting policies and preparation of financial statements

The use of such estimates, judgments and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

#### **Estimates and assumptions**

The Company has based its assumptions and estimates on parameters available when the financial statement was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

#### **i) Estimations of uncertainties relating to the global health pandemic from COVID-19:-**

The Company has considered the possible impact of internal and external factors that may result from the pandemic relating to COVID-19 known to the management up to date of approval of these accounts, to assess and finalize the carrying amount of assets and liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these condensed financial statements.

**ii) Depreciation and useful lives of property, plant and equipment:** Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any

reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

iii) **Income Tax:** Management judgment is required for calculation of income tax and deferred tax assets and liabilities. Deferred tax assets are recognized for unused losses (carry forward of prior years' losses) to the extent that it is probable that taxable profit would be available against which the losses could be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax. The factor used in estimate may differ from actual outcome which may lead to significant adjustment in the amounts in financial statement.

iv) **Recoverability of trade receivable:** Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

v) **Provisions:** Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

vi) **Impairment of non-financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**vii) Estimation of Defined benefit obligations**

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuation.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases 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 each financial year end.

viii) **Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

ix) **Fair value measurement of financial instruments:** The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

x) **Material uncertainty about going concern:** In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

# INDIAN SUCROSE LIMITED

## INDIAN SUCROSE LIMITED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### NOTE – 3 : FIXED ASSETS

Nature of Assets	GROSS BLOCK			As on 31.03.2022	DEPRECIATION			NET BLOCK	
	As on 01.04.2021	Additions during the Year	Sold/Adj during the Year		Upto 31.03.2021	For the Year	On Sale/ Adjustment	UP TO 31.03.2022	As on 31.03.2022
<b>Tangible</b>									
Freehold Land	2,286.60	20.78	-	2,307.38	-	-	-	2,307.38	2,286.60
Building	1,847.25	2.01	-	1,849.26	697.55	34.97	-	732.52	1,116.74
Plant and Machinery	15,663.90	116.51	-	15,780.41	9,658.37	494.13	-	10,152.50	5,627.91
Furniture and Fixtures	75.86	2.33	-	78.19	48.32	3.50	7.57	44.26	33.93
Office Equipments	337.33	26.27	-	363.59	265.95	25.43	-	291.38	72.22
Vehicles	1,258.02	327.77	-	1,585.80	635.53	136.80	-	772.34	813.46
<b>Tangible Total</b>	<b>21,468.96</b>	<b>495.67</b>	<b>-</b>	<b>21,964.63</b>	<b>11,305.72</b>	<b>694.83</b>	<b>7.57</b>	<b>11,992.99</b>	<b>9,971.64</b>
<b>Intangible</b>									
Trade Mark	0.29	-	-	0.29	0.29	-	-	0.29	-
Software	-	32.51	-	32.51	-	0.14	-	0.14	32.38
	<b>21,469.25</b>	<b>528.18</b>	<b>-</b>	<b>21,997.43</b>	<b>11,306.01</b>	<b>694.97</b>	<b>7.57</b>	<b>11,993.41</b>	<b>10,004.02</b>
<b>Capital Work-in-Progress:</b>									
Building,	41.42	106.56	-	147.98	-	-	-	-	147.98
Capitalization	-	-	-	-	-	-	-	-	-
Plant and Machinery	5,950.01	3,046.45	-	8,996.46	-	-	-	-	8,996.46
	<b>27,460.68</b>	<b>3,681.19</b>	<b>-</b>	<b>31,141.87</b>				<b>Total (Rupees)</b>	<b>9,144.44</b>
								<b>Previous Year (Rupees)</b>	<b>16,154.67</b>

**INDIAN SUCROSE LIMITED**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022						
<b>Note No. 3 : PROPERTY, PLANT AND EQUIPMENTS, INTANGIBLE ASSETS AND CAPITAL WORK IN PROGRESS FOR YEAR ENDED AS ON 31.03.2022</b>						
<b>Capital Work in Progress ageing schedule outstanding as on 31.03.2022:</b>						
					<b>(₹ In Lakhs)</b>	
Particulars	Amount in CWIP for a period of					
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	
Plants and Equipment in Process	3,046.45	2,448.82	1,025.51	2,475.68	8,996.46	
Building in Process	106.56	40.90	0.52		147.98	
<b>Capital Work in Progress ageing schedule outstanding as on 31.03.2021:</b>						
Particulars	Amount in CWIP for a period of					
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	
Plants and Equipment in Process	2,448.82	1,025.51	426.69	2,048.99	5,950.01	
Building in Process	40.90	0.52			41.42	
<b>The title deeds of the immovable property as disclosed in the Property, Plant and Equipment are held in the name of Company, except for the following freehold land:</b>						
Relevant line item in the balance sheet	Description of item of Property	Gross Carrying Value	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoters or	Property held since which date	Reason for not being held in the name of company
Note No.3 Freehold Land (Factor	49.30 acres of Land & Building at GT road Mukeria	2,162.50	Mukerian Paper Ltd.	No	17-10-2010	Land & Building was purchased from IFCI on 17/02/2010 but registration is pending due to some dispute regarding payment of old outstanding (before purchase by ISL) of Provident Fund, under Employees Provident Fund & Miscellaneous Provisions Act, 1952 ("EPF"), liability u/s 14B damages & u/s 7Q Interest amounting to Rs.0.74 crore and Rs.0.47 crore respectively.

# INDIAN SUCROSE LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2022

Particulars	As at 31-Mar-2022 (In Lakh)	As at 31-Mar-2021 (In Lakh)
<b>1 NOTE-3 ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
(a) <b>Property, Plant and Equipment</b>		
Free hold land	2,307.38	2,286.60
Building	1,116.74	1,149.70
Plant & Machinery	5,627.91	6,005.53
Furniture and fixture	33.93	27.54
office Equipments	72.22	71.38
Vehicles	813.46	622.49
<b>TOTAL</b>	<b>9,971.64</b>	<b>10,163.24</b>
(b) <b>Capital work in Progress</b>		
WIP Building	147.98	41.42
WIP Plant and Machinery	8,996.46	5,950.01
<b>TOTAL</b>	<b>9,144.44</b>	<b>5,991.43</b>
(c) <b>Intangible Assets</b>		
Software	32.38	-
<b>TOTAL</b>	<b>32.38</b>	<b>-</b>
<b>NOTE-4 Investments- Non Current</b>		
Ranger Breweries Ltd. 1259266 Equity Shares (P.Y.1259266 Equity Shares) Unit Face Value Rs. 10/- Each	-	12.86
Yadu resorts Pvt Ltd 322160 Equity Shares (P.Y. 322160 Equity Shares )Unit Face Value Rs.10/- Each	95.54	94.64
Versatile Events Private Limited 33000 Equity Shares (P.Y. 33000 Equity Shares ) Unit face Value Rs.10/- Each	30.54	30.54
<b>TOTAL</b>	<b>126.08</b>	<b>138.03</b>
<b>NOTE-5 Other Non current Assets (Unsecured Considered Goods)</b>		
Capital Advance	389.30	1,566.30
Recoverable from Government department	303.94	303.94
Security Deposits	69.99	69.99
Other Recoverable	241.64	283.78
<b>TOTAL</b>	<b>1,004.86</b>	<b>2,224.01</b>
<b>TOTAL NON CURRENT ASSETS</b>	<b>20,279.40</b>	<b>18,516.71</b>
<b>CURRENT ASSETS</b>		
<b>NOTE-6 Inventories</b>		
Raw Material	1.93	2.39
Work-in-Progress	494.45	318.41
Finished Goods	13,772.12	14,971.20
By-Products	1,258.41	1,088.95
Stores, Spare Parts and Packing Materials	3,457.14	2,704.46
<b>TOTAL</b>	<b>18,985.05</b>	<b>19,095.42</b>
<b>NOTE-7 TRADE RECEIVABLES</b>		
(Unsecured - Considered good)		
From Related Parties	5,991.64	6,012.22
Other	1,117.17	1,362.78
<b>TOTAL</b>	<b>7,108.80</b>	<b>7,375.00</b>
<b>NOTE-8 CASH AND CASH EQUIVALENTS</b>		
Balance with Banks		
In Current Accounts	1,329.32	238.23
Cash in Hand	127.55	55.67
<b>TOTAL</b>	<b>1,456.87</b>	<b>293.90</b>
<b>NOTE-9 OTHER BANK BALANCE</b>		
Fixed Deposit with original maturity less than 12 Months	548.42	2,374.69
<b>TOTAL</b>	<b>548.42</b>	<b>2,374.69</b>
<b>NOTE-10 LOANS</b>		
Loan to Related Party	596.75	-
<b>TOTAL</b>	<b>596.75</b>	<b>-</b>
<b>Type of Borrower</b>	<b>Amount of loans or advances in the nature of loans outstanding</b>	<b>Percentage to the total Loans and Advances in the nature of Loans</b>
Related party	596.75	100%
<b>TOTAL</b>	<b>596.75</b>	<b>100%</b>

## INDIAN SUCROSE LIMITED

### INDIAN SUCROSE LIMITED

#### NOTES ON FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2022

Note No. : 7 Trade And Other Receivables (Carried at Amortized Cost)

Trade Receivable Ageing schedule outstanding as on 31.03.2022

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(I) Undisputed Trade Receivables - considered good	1,698.26	5,367.27	27.73	14.29	1.25	7,108.80
(II) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(III) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(IV) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(V) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(VI) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,698.26</b>	<b>5,367.27</b>	<b>27.73</b>	<b>14.29</b>	<b>1.25</b>	<b>7,108.80</b>

Trade Receivable Ageing schedule outstanding as on 31.03.2021

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(I) Undisputed Trade Receivables - considered good	6,294.47	455.82	624.34	0.37	-	7,375.00
(II) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(III) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(IV) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(V) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(VI) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>6,294.47</b>	<b>455.82</b>	<b>624.34</b>	<b>0.37</b>	<b>-</b>	<b>7,375.00</b>
Less : Provision for which have significant increase in credit risk						-
<b>Total</b>	<b>6,294.47</b>	<b>455.82</b>	<b>624.34</b>	<b>0.37</b>	<b>-</b>	<b>7,375.00</b>



# INDIAN SUCROSE LIMITED

## NOTE-11 OTHER FINANCIAL ASSETS -CURRENT

Unsecured Considerd Good			
Advances to Suppliers		341.12	409.26
Other Receivable from Cane Growers (Net of Payable to Banks)		91.56	226.62
Advance to Employees		10.33	16.99
<b>TOTAL</b>		<b>443.02</b>	<b>652.87</b>

## NOTE-12 CURRENT TAX ASSETS (NET)

Advance Provision for Current Tax		209.84	5.97
<b>TOTAL</b>		<b>209.84</b>	<b>5.97</b>

## NOTE-13 OTHER CURRENT ASSETS

GST Recoverable		106.82	33.45
Income Tax Refundable		37.65	37.65
Prepaid Expenses		45.24	42.10
Amount Recoverable from government Deptt		653.23	653.23
<b>TOTAL</b>		<b>842.95</b>	<b>766.42</b>

<b>TOTAL CURRENT ASSETS</b>	<b>30,191.71</b>	<b>30,564.28</b>
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<b>TOTAL ASSETS</b>	<b>50,471.11</b>	<b>49,080.99</b>
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## NOTE-14 EQUITY SHARE CAPITAL

PARTICULARS	31-Mar-2022		31-Mar-2021	
	Number	Amount	Number	Amount
<b>Authorised:</b>				
Equity Shares of Rs.10/- each	3,30,00,000.00	3,300.00	1,80,00,000.00	1,800.00
Preference Share Rs. 10/- each (Face Value )	70,00,000.00	700.00	70,00,000.00	700.00
<b>Issued, Subscribed and Paid-up Capital</b>				
Equity Shares of Rs.10/- each (face Value)	1,70,51,807.00	1,705.18	1,54,61,807.00	1,546.18
Less:- Call Unpaid	-	-	-	4.09
<b>TOTAL</b>	<b>1,70,51,807.00</b>	<b>1,705.18</b>	<b>1,54,61,807.00</b>	<b>1,542.10</b>

### a- Reconciliation of Equity shares and amount outstanding at the beginning and at the end of the reporting period

PARTICULARS	31-03-2022		31-03-2021	
	Number	Amount	Number	Amount
<b>Issued, Subscribed and paidup Equity shares</b>				
Shares and Share Capital				
Outstanding at the beginning of the period	1,54,61,807.00	1,546.18	1,54,61,807.00	1,546.18
Shares and Share Capital				
Calls in Arrears	-	-	-	4.09
Share issued during the period *	15,90,000.00	159.00	-	-
Share and share Capital outstanding at the end of the Period	1,70,51,807.00	1,705.18	1,54,61,807.00	1,542.10

\* The Company has allotted 1590000 Equity Shares of face value of Rs. 10/- each pursuant to the conversion of 1590000 Fully Convertible Warrants issued and allotted on 26.03.2022.

### b- Rights, preference and restrictions attached to Equity Shares

The Company presently has one class of equity shares having a par value Rs.10/- each. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subjects to the approval of the share holders in the ensuing Annual General Meeting

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company , after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

The Company has not declared dividend during the year ended 31 March 2022

### Rights attached to preference Shares

The Company has not issued preference shares during the current and previous Year .

### c- The Details of Equity shareholders holding more than 5% of the aggregate Equity Shares

Particulars	Equity Share Capital			
	31-Mar-2022		31-Mar-2021	
	No. of shares held	% of Share Holding	No. of shares held	% of Share Holding
Yadu Sugar Limited	60,22,607	35.32%	60,22,607	38.95%
Umlesh Yadav	16,49,886	9.67%	16,49,886	10.67%
Kunal Yadav	9,00,025	5.28%	9,00,025	5.82%

d- There are no shares issued without payment being received in cash during the last five years.

e- There are no buy back of Equity shares during the last five years.

f- There are no bonus shares issued during the last five years.

g- There is no holding/ultimate holding company of the Company.

## INDIAN SUCROSE LIMITED

### Note No. : 14 Share Capital

#### Detail of shareholding of Promoters:

PROMOTERS NAME	NO. OF SHARES AS ON 31.03.2020	%	CHANGE DURING THE YEAR	NO. OF SHARES AS ON 31.03.2021	%	CHANGE DURING THE YEAR	NO. OF SHARES AS ON 31.03.2022	%
Kunal Yadav	900025	5.82	-	900025	5.82	-	900025	5.28
Umlesh Yadav	1649886	10.67	-	1649886	10.67	-	1649886	9.68
Dharam pal Yadav	535000	3.46	-	535000	3.46	-	535000	3.14
Kunj deep kalra	31300	0.20	-31300	-	0.00	-	-	0.00
<b>Promoter Group</b>			-			-		
Yadu sugar limited	6022607	38.95	-	6022607	38.95	-	6022607	36.32
Tiazo trade private limited	183289	1.19	-	183289	1.19	-	183289	1.07
Citybazaar hub private limited			-			530000	530000	3.11
Indian green revolution private limited			-			530000	530000	3.11
Highlink investment private limited			-			530000	530000	3.11
<b>TOTAL</b>	<b>9322107</b>	<b>60.29</b>		<b>9290807</b>	<b>60.09</b>		<b>10880807</b>	<b>63.81</b>

PROMOTERS NAME	NO. OF SHARES AS ON 31.03.2019	%	CHANGE DURING THE YEAR	NO. OF SHARES AS ON 31.03.2020	%	CHANGE DURING THE YEAR	NO. OF SHARES AS ON 31.03.2021	%
Kunal Yadav	900025	5.82	-	900025	5.82	-	900025	5.82
Umlesh Yadav	1649886	10.67	-	1649886	10.67	-	1649886	10.67
Dharam pal Yadav	535000	3.46	-	535000	3.46	-	535000	3.46
Kunj deep kalra	138900	0.90	1,07,600	31300	0.20	-31300	0	0.00
<b>Promoter Group</b>			-			-	0	
Yadu sugar limited	6022607	38.95	-	6022607	38.95	-	6022607	38.95
Tiazo trade private limited	183289	1.19	-	183289	1.19	-	183289	1.19
Citybazaar hub private limited			-					
Indian green revolution private limited			-					
Highlink investment private limited			-					
<b>TOTAL</b>	<b>9429707</b>	<b>60.98</b>		<b>9322107</b>	<b>60.29</b>		<b>9290807</b>	<b>60.09</b>

# INDIAN SUCROSE LIMITED

## NOTE-14 EQUITY SHARE CAPITAL

### Equity Share Capital

<b>Share Capital</b>	1,542.10	1,546.18
Addition During the year	163.09	(4.09)
	1,705.18	1,542.10

## NOTE-15 OTHER EQUITY

<b>a- Capital Reserve</b>	15.00	15.00
<b>b- Securities Premium Reserve</b>		
As per Last Balance Sheet	664.36	664.36
Add: Increase/Decrease During the Year	214.65	-
	879.01	664.36
<b>c-Share Warrant pending Allotment</b>	19.09	-
	<b>898.10</b>	<b>679.36</b>

## c- Surplus

<b>Profit &amp; Loss Statement</b>		
As per Last Balance Sheet	8,860.90	6,685.75
Less: Prior Year Expenses	7.69	-
Add: Additions during the year	3,701.51	2,175.15

<b>Total Other Equity (a+b+c)</b>	<b>12,554.72</b>	<b>8,860.90</b>
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<b>TOTAL</b>	<b>13,467.82</b>	<b>9,540.26</b>
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<b>TOTAL EQUITY &amp; OTHER EQUITY</b>	<b>15,173.00</b>	<b>11,082.35</b>
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There is no reserve specifically represented by earmarked investments which can be termed as fund.

## NON CURRENT LIABILITIES

### (a) FINANCIAL LIABILITIES

#### (i) NOTE -16 BORROWINGS- NON CURRENT

#### Term Loans - Secured

- From Banks	4,824.70	5,200.67
Less Current Maturity	780.00	621.00
	<b>4,044.70</b>	<b>4,579.67</b>

#### Vehicle Loans - Secured

-From Banks	359.94	173.02
Less Current Maturity	110.23	77.13
<b>TOTAL (A)</b>	<b>249.71</b>	<b>95.89</b>

#### Unsecured Loan

From Related Party & Others	379.16	301.88
From a Company	602.49	1,060.04
<b>TOTAL (B)</b>	<b>981.65</b>	<b>1,361.93</b>

#### Loan From NBFC

From NBFC and Bank Current Maturities		
From NBFC ( Daimler Financial Services Pvt. Ltd.	-	15.08
Less Current Maturities	-	0.11
<b>TOTAL</b>	<b>-</b>	<b>14.97</b>

#### Total Borrowings (A+B)

Less: Current Maturities	<b>6,166.29</b>	<b>6,750.70</b>
	<b>890.23</b>	<b>698.25</b>

<b>TOTAL</b>	<b>5,276.06</b>	<b>6,052.46</b>
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Maturity Profile of Term Loan and Vehicle Loan	Vehicle Loan	Other Term Loan
ROI	8% - 8.25%	8.28% -11.75%
2023-24		977.92
2024-25	64.64	1,285.00
2025-26	42.26	1,059.70
2026-27	17.03	475.00
2027-28	12.97	277.08
2028-29	10.13	-

#### A- Details of Security for term Loans

- 1- Term loan from banks and financial institutions are secured by way of equitable mortgage of all present and future immovable properties of the company ranking pari-passu charge by way of hypothecation of all the company's Movable properties, save and except book debt but including movable machinery, spares tools and accessories both present and future subject to prior charges created/ to be created in favour of the company's Bankers on Specified movable properties for securing borrowings for working capital requirements.
- 2- Future term loans from bank and financial institutions are secured by second pari-passu charge on all current assets presents and future and the personal guarantee of the Managing Director of the company and his family members and corporate guarantee by a promoter company.
- 3- Term loan from others are secured by hypothecation of Vehicle Purchased against these Loans.
- 4- As per RBI Guide Lines 60% of The Total Cash-credit Limit of Rs. 150 Crore converted into WC DL ) as Rs. 40.34 Cr Buffer stock, Rs. 49.66 Crore WC DL and Balance As Cash -Credit against Stock Pledge)

#### (a) Term loans from banks are secured as follows:-

- ( i ). 1st pari passu charge :-Hypothecation of entire fixed assets of the Company (both present and future) including equitable mortgage.
- ( ii ). 2nd pari passu charge:-Hypothecation of stocks of raw material, stock in process and finished goods, receivables/ book debts and other current assets (both present and future).

## INDIAN SUCROSE LIMITED

(b) **NOTE-17 PROVISIONS**

**Provision for Employees Benefits**

Gratuity Long Term	267.28	239.54
Compensated absences Leave Encashment Short Term	53.53	47.23
	<b>320.81</b>	<b>286.77</b>

(c) **NOTE: 18 Other Non Current Liabilities**

Deferred Tax Liabilities	675.25	1,829.57
	<b>675.25</b>	<b>1,829.57</b>

Particulars	As At 01.04.2021	during the year	As At 31.03.2022
<b>DEFERRED TAX LIABILITY</b>			
Difference between book & tax depreciation	1,907.25	(1,026.68)	880.57
	1,907.25	(1,026.68)	880.57
<b>DEFERRED TAX ASSETS</b>			
Expenses allowed u/s 43-B on paid basis	-	113.73	113.73
Deferred tax Assets on comprehensive income	-	9.73	9.73
Loss on fair value adjustment of Investment	77.68	4.18	81.86
	77.68	127.64	205.32
<b>NET DEFERRED TAX LIABILITY</b>	<b>1,829.57</b>	<b>(1,154.32)</b>	<b>675.25</b>

<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>6,272.13</b>	<b>8,168.79</b>
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# INDIAN SUCROSE LIMITED

<b>CURRENT LIABILITIES</b>		
<b>(a) FINANCIAL LIABILITIES</b>		
<b>(i) NOTE 19 BORROWINGS-CURRENT</b>		
<b>SHORT TERM BORROWINGS</b>		
<b>Loan Repayable on Demand</b>		
Cash Credit from Banks -Secured (PNB)	2,066.65	3,873.09
Loans Repayable on Demand (PNB)	9,086.49	9,789.47
<b>Current Maturity Of Long Terms Debs</b>		
Secured ( From Bank )	1,458.48	621.00
Vehicle Loans ( From Banks)	110.23	77.25
<b>TOTAL</b>	<b>12,721.85</b>	<b>14,360.80</b>
<b>Details of Security for working Capital Borrowing</b>		
<b>Working capital borrowing from banks are secured as follows</b>		
( 1 ) First Pari-Passu Charge: Hypothycation of stock of Raw material, stock in Process and finished Goods receivable/ books debts and other current assets (both Present and Future)		
2- Pari Passu Charges: Hypothycation of Entire fixed assets of the company (both Present and future including equitable mortgage PNB Loans repayable on demand from banks are secured by way of pledge of Sugar Stock and hypothecation of stock of store and spare, packing materials and molasses first charge on all present and future finished goods, work-in-progress, raw materials guarantee if tge Managing Director of the Company,		
As per RBI circular No. RBI/2018-19/87 DBR, BP, BC. No. 12/21 .04.048 dt.05.12.2018 and Bank Guide Lines 60% of The Total Cash-credit Limit of Rs. 150 Crore converted into WCDL ( as Rs. 40.34 Cr Buffer stock Rs. 49.66 Crore WCDL and Balance As Cash -Credit against Stock Pledge)		
<b>Terms:</b>		
Working Capital borrowings from banks are repayable on demand.		
<b>(ii) NOTE 20 TRADE PAYABLES-CURRENT</b>		
Trade Payable - Micro and Small Enterprises	25.21	24.66
- Other	12,834.21	12,486.79
<b>TOTAL</b>	<b>12,859.42</b>	<b>12,511.45</b>
<b>(iii) NOTE 21 OTHER FINANCIAL LIABILITIES-CURRENT</b>		
Interest Accrued but no due on borrowings ( Banks )	41.60	1.49
Due to Directors	13.31	10.17
Staff salary and others Payable	127.22	93.38
Expenses Payable	76.32	33.03
<b>TOTAL</b>	<b>258.45</b>	<b>138.07</b>
<b>(b) NOTE 22 OTHER CURRENT LIABILITIES</b>		
Security Deposits	3.59	36.85
Statutory Liabilities	736.22	788.14
Other Liabilities	925.58	1,065.43
<b>TOTAL</b>	<b>1,665.39</b>	<b>1,890.42</b>
*Statutory remittance included contribution to provident fund, Punjab Welfare fund and Tax Deducted at Source.		
<b>(c) NOTE 23 CURRENT PROVISIONS</b>		
<b>SHORT TERM PROVISIONS</b>		
Provisions for Employee Benefits( Gratuity)	76.04	50.55
Provision for Taxation	1,444.85	878.55
<b>TOTAL</b>	<b>1,520.89</b>	<b>929.10</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>29,025.99</b>	<b>29,829.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>50,471.11</b>	<b>49,080.89</b>

## INDIAN SUCROSE LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2022

Note No. : 20 Trade and Other Payables

Trade Payable Ageing schedule outstanding as on 31.03.2022

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(I) MSME	25.21			-	25.21
(II) Others	12,599.05	163.13	32.43	39.60	12,834.21
(III) Disputed dues - MSME	-	-	-	-	-
(III) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>12,624.26</b>	<b>163.13</b>	<b>32.43</b>	<b>39.60</b>	<b>12,859.42</b>

Trade Payable Ageing schedule outstanding as on 31.03.2021

(₹ In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(I) MSME	24.66				24.66
(II) Others	12,342.85	61.35	61.50	21.09	12,486.80
(III) Disputed dues - MSME	-	-	-	-	-
(III) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>12,367.51</b>	<b>61.35</b>	<b>61.50</b>	<b>21.09</b>	<b>12,511.46</b>

# INDIAN SUCROSE LIMITED

## INDIAN SUCROSE LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2022

	Figures as at end of Current Reporting Period 31-Mar-2022 In Lakhs	Figures as at end of Current Reporting Period 31-Mar-2021 In Lakhs
<b>NOTE - 24 : REVENUE FROM OPERATIONS</b>		
Sale of Products	40,771.52	42,116.01
Other Operating Revenues	3,505.23	942.00
<b>Net Sale of Traded Goods</b>	<b>Total</b>	<b>43,058.01</b>
<b>Particulars of Sale of Products</b>		
Sugar	36,729.00	38,081.25
Molasses	2,623.54	2,453.42
Power	944.19	1,005.52
Bagasses & Others	474.79	575.81
	<b>Total</b>	<b>42,116.01</b>
<b>Particulars of Other operating revenues</b>		
Subsidy under Maximum Admissible Export Quota (MAEQ)	2,044.36	
Sale of Scrap Etc	1,074.21	
Other	386.66	
	<b>Total</b>	<b>3,505.23</b>
<b>NOTE - 25 : OTHER INCOME</b>		
Interest Income( Gross)	703.87	335.67
Depreciation Written back	7.57	-
Rental Income	19.62	15.96
Gratuity & LWW provision written back	-	11.73
	<b>Total</b>	<b>363.36</b>
<b>NOTE - 26 : COST OF MATERIAL CONSUMED</b>		
<b>Raw Material Consumed</b>		
Opening Stocks	2.39	1.42
Add: Purchases	30,546.00	30,646.21
<b>Total</b>	<b>30,548.39</b>	<b>30,647.63</b>
Less : Closing Stocks	1.93	2.39
	<b>Total</b>	<b>30,645.24</b>
<b>NOTE-27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN- PROGRESS</b>		
<b>Inventories at he beginning og the year</b>		
Finished Goods	16,070.16	19,135.48
Work-in-Progress	318.41	180.30
	<b>Total</b>	<b>19,315.78</b>
<b>Inventories at the end of the year</b>		
Finished Goods	15,031.53	16,070.16
Work-in-Progress	494.45	318.41
	<b>Total</b>	<b>16,388.57</b>
(Increase)/Decrease in opening and closing stock	862.58	2,927.21
<b>Total- Decrease/Increase in finished Stocks</b>	<b>Total</b>	<b>2,927.21</b>
<b>NOTE - 28 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Wages	1,096.72	1,020.28
Contribution to Provident and other funds	46.56	47.29
Staff Welfare expenses	18.16	12.72
	<b>Total</b>	<b>1,080.29</b>



## INDIAN SUCROSE LIMITED

### NOTE - 29 : FINANCE COSTS

Interest Expenses	1,683.54	1,784.30
Bank charges & Other Borrowing Costs	217.63	27.60
<b>Total</b>	<b>1,901.17</b>	<b>1,811.90</b>

### NOTE 30 : DEPRECIATION

Depreciation	694.97	757.78
<b>Total</b>	<b>694.97</b>	<b>757.78</b>

### NOTE - 31 : OTHER EXPENSES

#### Manufacturing Expenses

Power and Fuel	224.41	202.26
Consumption of Stores, Spares	1,094.45	888.10
Packing Materials	616.86	479.05
Other Manufacturing Expenses	-	2.68
<b>Repairs and Maintenance</b>		
Plant and Machinery	540.57	508.14
Buildings	31.28	55.40
General Repair	1.98	3.91
Rent A/c	105.44	103.66
Property/House Taxes	1.82	4.18
Printing and Stationery	8.67	7.37
Postage, Courier and Telephones	6.28	5.97
Travelling and Conveyance - Directors	29.45	11.19
Travelling and Conveyance - Others	37.65	25.62
Fees and Subscription	52.47	18.25
Legal and Professional Charges	68.94	43.54
Auditors' Remuneration	10.17	5.21
Vehicle Running and Maintenance	416.80	374.14
Insurance A/c	65.88	44.23
Cane Development Expenses	166.74	74.28
Sundry Balances written off	107.98	0.75
Office & Other Administration Expenses	25.42	19.31
Other Selling and Distribution Exp.	2,152.33	237.84
Expenses on Corporation Social Responsibility	40.80	27.02
<b>Grand Total</b>	<b>5,806.40</b>	<b>3,142.11</b>

## INDIAN SUCROSE LIMITED

### 32- Current tax and deferred tax

#### Income tax Recognized in statement of Profit and Loss

Particulars	For the Year Ended 31-Mar-22	For the year Ended 31-Mar-2021
<b>Current tax</b>		
In respect of current period	1,436.22	878.55
Addition /deduction as per previous year	11.58	(107.02)
<b>Total (A)</b>	<b>1,447.80</b>	<b>771.53</b>
<b>Deferred tax</b>		
In respect of current period	(1,140.41)	48.13
Earlier Year the current period	-	-
<b>Total (B)</b>	<b>(1,140.41)</b>	<b>48.13</b>
<b>Total Income tax</b>	<b>307.39</b>	<b>819.66</b>

#### INCOME TAX RECOGNIZED IN OTHER COMPREHENSIVE INCOME

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
<b>Deferred tax assets</b>		
Recognised on Loss on MTM of investment in shares	13.90	25.49
<b>Total</b>	<b>13.90</b>	<b>25.49</b>

#### Reconciliation of tax expense and the profit before tax multiplied by statutory tax rate

Particulars	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Profit before tax	4,034.79	3,056.84
Income tax expense calculated at statutory tax rate	1,355.69	890.15
Add: Tax impact of expenses not considered for tax purposes	211.06	263.69
Less: Tax impact of earlier year	(1,245.45)	(33.40)
Less: Tax impact of Income not considered for tax purposes		(275.29)
<b>Tax expense charged to statement of profit and loss at effective rate</b>	<b>321.30</b>	<b>845.15</b>

#### NOTE -33 Contingent liabilities and commitments ( to the extent not provided for)

No Cash outflow is expected

Particulars	for the year ended 31/03/2022	Rs.	for the year ended 31/03/2021	Rs.
<b>A Contingent Liabilities</b>				
i Claims not acknowledged as debts				
1999-2000 to 2003-2004		92.95		92.95
2004-2005 to 2011-2012		847.49		847.49
Sales Tax Demand		5.67		5.67
Damages & Interest under EPF Act in respect of Assets purchased of Mukerian Paper Ltd.		120.65		120.65
ii Bank Guarantee issued in favour of others *		500.00		500.00
Bank Guarantee issued		10.04		10.04
		<b>1,576.81</b>		<b>1,576.81</b>
<b>B Commitments</b>				
i Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advances)		1,000.00		1,800.00
		<b>1,000.00</b>		<b>1,800.00</b>

The Company has deposited Rs. 9342000/- under protest with Cane VAT Sales Tax Department.

\* The Company has given corporate guarantee of Rs.500 Lakhs to State Bank of India in respect of loan taken by Company's Related Party

**INDIAN SUCROSE LIMITED**

**Note no.: 34 on Financial Statements for the year ended 31<sup>st</sup> March, 2022**

- a. Based upon the information received from vendors regarding their status under the “Micro, Small and Medium Enterprises Development Act, 2006”, the relevant Information is provided below:

**(Rs. in lakhs)**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
(a) Amount due to Micro and Small Enterprises as on 31 <sup>st</sup> March,2022		
i) Principal amount	25.21	24.66
ii) Interest due on above	3.16	-
(b) i) Principal amount paid after due date or appointed day during the period	NIL	NIL
ii) Interest paid / reversed during the period on (i) above	NIL	NIL
(c) Interest due & payable (but not paid) on principal amounts paid during the period after the due date or appointed day	NIL	NIL
(d) Total interest accrued and remaining unpaid as on	3.16	Nil
(e) Further interest in respect of defaults of earlier years due and payable in current period up to the date when actually paid	NIL	NIL

- b. All the Current assets, loans and advances, in the opinion of the Board, have a value on realization which in the ordinary course of business shall at least be equal to the amount at which it is stated in the balance sheet.
- c. During the year ended March 31,2022 an amount to Rs 2044.36 lakhs (previous year Rs. NIL Lakhs) has been recognized/ recovered as financial assistance in Revenue from operations pertaining to export made under Maximum Admissible Export Quota (MAEQ) allotted to the company has correspondingly booked commission amounting to RS 1971.56 Lakhs for selling the above sugar quota.
- d. The code on Social security,2020 (code) relating to employee benefits during employment and post-employment benefits received Presidential assents in September 2020. The code has been published in the Gazette of India. The code would impact the contributions by the Company towards provident fund and Gratuity. However, the date on which code will come into effect has not been notified. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which, the code becomes effective and the related rules to determine the financial impact are published.

## INDIAN SUCROSE LIMITED

- e. In terms of Ind AS 36 on impairment of assets, there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognized during the year under review.
- f. No reportable business or geographical segment was identified as IND AS- 108 Operating Segments segment reporting issued by the Institute of Chartered Accountants of India.

**g. Employee Benefits**

As per Indian Accounting Standard-19 “Employees Benefits” the disclosures of employees benefits are as follows:

**Defined Contribution Plan:**

Employee benefits in the form of provident fund are considered as defined contribution plan. The contribution to the respective fund are made in accordance with the relevant statute and are recognized as expense when employees have rendered service entitling them to the contribution, the contribution to defined contribution plan, recognized as expense in the Statement of Profit and Loss are as under:

	(Rs.	In
lakhs)		
Particulars	Current Year	Previous Year
Employer’s contribution to provident fund	46.56	47.28
Other administrative expenses	1.87	2.02
<b>Total</b>	<b>48.43</b>	<b>49.30</b>

**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 service is entitled to specific benefit. The gratuity plan provides a lump sum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member’s length of service and salary at retirement age.

**Detail of unfunded post retirement Defined Benefit obligations are as follows:**

Employee benefits in respect of gratuity and leave encashment are based on actuarial valuation as on 31<sup>st</sup> March 2022. The details are given below:

	(Rs. In lakhs)	
Particulars	Gratuity	Leave Encashment

**INDIAN SUCROSE LIMITED**

	Unfunded	Unfunded
<b>A) Change in the Present Value of obligation</b>		
a) Present Value of obligation as at 1 <sup>st</sup> April 2021	239.54 (260.31)	61.66 (64.84)
b) Interest Cost	15.09 (16.92)	3.88 (4.21)
c) Current Service Cost	17.63 (16.41)	14.86 (12.38)
d) Benefits Paid		
e) Actuarial Loss/(Gain)	24.60 (54.10)	3.23 (-3.76)
f) Present Value of Obligation as at 31 <sup>st</sup> March 2022	247.66 (239.54)	68.38 (61.66)
Current Liability		
Non - Current Liability		
<b>B) Amount recognized in Balance Sheet (A-B)</b>		
<b>C) Expenses recognized in the Profit &amp; Loss Account</b>		
a) Current Service Cost	17.63 (16.41)	14.86 (12.38)
b) Interest Cost	15.09 (16.92)	3.88 (4.21)
<b>D) Expenses recognized in Other Comprehensive Income</b>		
a) Actuarial Loss/(Gain)	(24.60) (-54.10)	3.23 (-3.76)
b) Net Cost		
<b>Actuarial Assumptions</b>		
a) Discount Rate		6.70%
b) Rate of escalation in Salary (Per Annum)		7.00%
c) Mortality Table		100% of IALM (2012 - 14)
d) Retirement Age (Years)		58

**h. Related Party Disclosures: -**

The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

**a. Related Party Disclosures: -**

The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

**INDIAN SUCROSE LIMITED**

(i) Parties where control exists

NIL

**(ii) Other related parties where transaction have taken place during the year**

**a) Key Management Personnel (KMP):**

Sh. Kunal Yadav	- Chairman and Managing Director (MD)
Smt. Geeta Sharma	- Non-Executive Director
Sh. Jitender Kumar	- Non-Executive Director
Sh. Neeraj Bansal	- Independent Director
Sh. Abhay Upadhyay	- Independent Director
Sh. Shriram Agarwal	- Independent Director
Smt Anamika Raju	- Company Secretary
Sh. Ravinder Sharma	- Chief Financial Officer

**Close Member of Key Management Personnel and their Relationship:**

- Sh. D. P. Singh (Father of Chairman and Managing Director)
- Smt. Umlesh Yadav (Mother of Managing Director)
- Mrs. Kunj Yadav (Wife of Chairman and Managing Director)

**a) Enterprises where Significant Influence exists:**

Yadu Resorts India Limited
Indian Green Revolution Pvt. Ltd.
Yadu Sugar Limited
Tiazo Trade Private Limited
Sherwani Sugar Syndicate Limited
High Link Investment Pvt. Ltd.
Cosmos Industries Ltd
Yadu Corporation Pvt Ltd.
City Bazaar Hub Pvt. Ltd.
<u>Yadu Public School</u>
Rangar Breweries Limited

**C. Details of Transactions with the above related parties in the ordinary course of business: -**

Name of related parties	Nature of Transactions	Amount of Transactions (Rs. In Lakhs)		Outstanding Balances (Rs. In Lakhs)		
		Year ended 31.03.2022	Year ended 31.03.2021		As at 31.03.2022	As at 31.03.2021
<b>Key Management Personnel (KMP)</b>					2	

**INDIAN SUCROSE LIMITED**

Sh Kunal Yadav	Remuneration, Commission & Perquisites	144.00	144.00	Remuneration Payable	0.78	0.33
	Lease Rent paid	76.20	67.20	Lease Rent	31.60	
	Security deposit			Security deposit	50.00	50.00
Smt. Geeta Sharma	Sitting Fees	0.60	0.15	Payable	0.66	0.09
Sh. Abhay Upadhyay	Sitting Fees	0.90	0.70	Payable	1.79	0.95
Sh. Neeraj Bansal	Sitting Fees	0.90	0.30	Payable	0.30	0.09
Sh. Jaitender Kumar	Sitting Fees	0.90	0.70	Payable	1.56	0.72
Sh. Shriram Agarwal	Sitting Fees	0.90	0.20	Payable	0.30	0.09
Smt Anamika Raju	Remuneration & Perquisites	8.40	9.61	Remuneration Payable	0.77	0.50
Sh Ravinder Sharma	Remuneration & Perquisites	9.72	11.62	Remuneration Payable	0.99	1.02
<b>Relative of KMP</b>						
Sh D P Yadav	Loan Repaid	30.00	-	Unsecured Loan outstanding	154.81	184.81
				Other Payable	0.40	0.40
Mrs Kunj Yadav			-	Amount payable	2.21	2.21
<b>Enterprises where Significant Influence exists:</b>						
Rangar Breweries Limited	Interest Income	46.40	38.86			
	Loan Granted	180.42	557.82	Loan Receivable	596.75	374.56
	Purchases	3.84		Amount Payable	1.60	



**INDIAN SUCROSE LIMITED**

Yadu Limited	Sugar	Purchases	1.40	1.38	Amount Payable	1.40
		Unsecured Loan given	4057.92	2240.61		28.18
		Interest Income	332.63	159.64		
		Unsecured Loan Received Back	4418.72	2375.93		
Yadu Resorts (India) Ltd.,		Lease Rent Paid	14.21	8.88	Amount Payable	32.14
Cosmos Industries Limited		Sales	69.02	40.93	Amount Receivable	58.37
		Purchase	1.86	5.24		
		Unsecured Loan Given	992.52	103.00		
		Rent Paid	13.65			
		Interest Income	40.92	0.59		
		Unsecured loan received Back	1033.44	138.31		
Tiazo Trade Private Limited		Unsecured Loan Received	567.49	383.74	Unsecured Loan Payable	567.49
		Advances given	765.29	405.97		
		Advance received back	197.80	1364.46	Amount receivable	567.49
		Sales		383.74	Amount Receivable	753.97
		Rental Income	6.00	6.00		687.87
High Investment Ltd.,	Link Pvt.	Sales	6992.41	7060.78	Amount Receivable	4595.83
		Rental Income	10.05	9.60		
		Advance received	350	6721.19		
		Advance given back	350	1064.09		
		Share Issued-Share Capital	53.00			
		-Security Premium	71.55			
		Share Warrant issued	37.50		Share Warrant outstanding	6.36

**INDIAN SUCROSE LIMITED**

Sherwani Sugar Syndicate Ltd	Purchase	1.31				
	Interest Income	20.98	17.73			
	Loan Given	153.41	150.00			67.78
	Loan received Back	243.49	199.85			
Indian Green Revolution Pvt. Ltd	Sales	6961.30	1655.05	Amount receivable	557.25	33.47
	Share Issued-Share Capital	53.00				
	-Security Premium	71.55				
	Share Warrant issued	37.50		Share Warrant outstanding	6.36	
City Bazaar Hub Pvt. Ltd.	Sales	9.63	80.93	Amount receivable	86.66	96.66
	Rental Income	1.89	0.36			
	Share Issued-Share Capital	53.00				
	-Security Premium	71.55				
	Share Warrant issued	37.50		Share Warrant outstanding	6.36	
Yadu Public School	Advance Received	40				
	Advance return back	40				
Yadu Corporation Pvt Ltd	Royalty Given	2.16		Amount Payable	2.32	

**b. Auditors' Remuneration:**

**(Rs. in lakhs)**

Particulars	Current Year	Previous Year
(a) As Statutory Auditors	7.00	4.00
(b) For other Matters	1.00	1.00
<b>Total</b>		

**INDIAN SUCROSE LIMITED**

**c. Expenditure on Corporate Social Responsibility (CSR) activities:**

**(Rs. in lakhs)**

<b>(i) Details of CSR Expenditure :</b>				<b>Current Year</b>	<b>Previous Year</b>
<b>Sl. No.</b>	<b>Particular</b>				
i)	Amount required to be spent by the company during the year			38.51	27.02
ii)	Amount of expenditure incurred			40.80	27.02
iii)	Shortfall at the end of the year			-	-
iv)	Total of previous year shortfall			-	-
v)	Reason for shortfall			-	-
vi)	Nature of CSR activities			As Given below (ii)	As Given below (ii)
vii)	Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard			-	-
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately			-	-
<b>(ii) The various heads under which the CSR expenditure were incurred in cash as detailed as follows :</b>					
<b>Sl. No.</b>	<b>Relevant Clause of Schedule VII to the Act</b>	<b>Description of CSR activities</b>		<b>Current Year</b>	<b>Previous Year</b>
c)	Clause (x)	Rural Development Projects		40.80	27.02
<b>Total</b>				<b>40.80</b>	<b>27.02</b>

**d. Earnings per share (EPS)**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
a) Profit for the year attributable to the equity shareholders (Rs. in lakhs)	3727.40	2237.18
b) Weighted average number of equity shares outstanding		
i) <u>Basic:</u>		
Weighted average number of equity shares at the end	15487943	15461807
c) ii) <u>Diluted</u>		
Weighted average number of shares as in b(i)	15654039	15461807

**INDIAN SUCROSE LIMITED**

d) Paid up value of share	10	10
e) Basic Earnings per share(Rs)(a/bi)	24.07	14.47
f) Diluted Earnings per share (Rs.) (a/bii)	23.81	14.47

- e. The Company has continuously monitored considered the possible effects that may result for the pandemic relating to COVID 19 on its business operations and financial position using internal & external factors known to the management up to the approval of financial statement, There is no significant impact on the carrying amount of its assets and financial result as on 31st March, 2022 and management concludes that no material uncertainty exists about the company's ability to continue as a going concern and accordingly financial statements have been prepared using going concern assumption.

The impact of COVID-19 on the company's financial statements may differ from that estimated as at the date of approval of these financial statements due to uncertainty associated with COVID-19 nature and duration. The company will continue to monitor any material change in future economic conditions.

**Note No. 35 - Financial Risk Framework**

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include Loans, trade and other receivables, cash and cash equivalents

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the company's financial risks activities are governed by appropriate policies and risk objectives. All derivative activities for risk management purpose are carried out by teams that have appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized 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 price. Market risk comprises three types of risk interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

**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 borrowing obligations with floating interest rates.

Particulars	(Rs in Lakhs)	
	As At 31.03.2022	As At 31.03.2021

## INDIAN SUCROSE LIMITED

<b>Variable rate Borrowings</b>	11153.14	13662.56
<b>Fixed rate Borrowings</b>	6844.77	7448.95

### Sensitivity

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amount shown below. This analysis assumes all other variables held constant.

Particulars	Increase /decrease in Basic Points		Impact on Profit before Tax (Rs in Laacs)		Impact on Equity (Rs in Laacs)	
	2022	2021	2022	2021	2022	2021
<b>Increase in Basis Point</b>	50	50	55.78	68.31	55.78	68.31
<b>Decrease in Basis Point</b>	50	50	(55.78)	(68.31)	(55.78)	(68.31)

### 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, the company's exposure to the risk of changes in foreign exchange rates relates primarily to the exports made by the company. However, the company has not made any export during the year.

#### Sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on profit.

### B. Credit risk

Credit risk refers to the risk of default on its contractual terms or obligations by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The company assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of Trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The ageing of trade receivable is given below:

	Particulars	Up to 6 Months	More than 6 Months	More than one year
a)	As at 31.03.2022 Gross carrying Amount	1698.26	5367.27	43.27
b)	Expected Credit Loss @			

**INDIAN SUCROSE LIMITED**

a)	As at 31.03.2021	6351.89	455.82	624.71
b)	Gross carrying Amount			
	Expected Credit Loss @			

Following table summarizes the change in loss allowances measured using life time expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

Particulars	ECL for Trade Receivables
31.03.2022	-
Provision /Reversal during the year	
31.03.2021	-
Provision /Reversal during the year	

**C. Liquidity risk**

**i) Liquidity Risk Management**

The financial liabilities of the company include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash to meet the obligations as and when falls due.

**ii) Maturities of financial liabilities**

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

**Non derivative financial instruments**

**(In Lakhs)**

Particulars	AS at 31.03.2022 Carrying Amount	On Demand	Less than One year	More than one year and less than three years	More than three years	Total
<b>Borrowings</b>	17997.91	11153.14	1568.71	3502.19	792.21	17997.91
<b>Trade payable</b>	12859.42		12859.42			
<b>Other financial Liabilities</b>	258.48		258.48			

Particulars	AS at 31.03.2021 Carrying Amount	On Demand	Less than One year	More than one year and less than three years	More than three years	Total
<b>Borrowings</b>	20413.26	14360.80	698.25	1125.42	4228.79	20413.296
<b>Trade payable</b>	12511.45		12511.45			

**INDIAN SUCROSE LIMITED**

<b>Other financial Liabilities</b>	138.07		138.07			

**iii) Financial Arrangements**

**The Company has following undrawn borrowing facilities at the end of reporting period.**

<b>Particulars</b>	31.3.2022	31.3.2021
<b>Undrawn Borrowing Facilities</b>	14.34	32.86

**Note No.- 36 - Capital Management**

**a) Risk Management**

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The company monitors capital on the basis of following gearing ratio

(In Lakhs)

<b>Particulars</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Long Term Debts (Including Unsecured Loans)</b>	6844.77	7448.95
<b>Cash &amp; Bank balances</b>	1456.87	293.90
<b>Net Debts (i)</b>	5387.90	7155.05
<b>Total Equity (ii)</b>	15173.00	11082.35
<b>Net debts / Equity Ratio ( i / ii )</b>	0.35	0.64

Debts excluding cash credits limits from bank.

**b) Loan Covenants:**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowing that define capital structure requirements. The company has complied with these covenants and there have been no breaches in the financial covenants of any interest – bearing loans and borrowings.



## INDIAN SUCROSE LIMITED

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March 2022 and 31<sup>st</sup> March, 2021.

### Note no. 37 Other disclosures

- a. The Company have used the borrowings from banks for the specific purpose for which they were taken from banks.
- b. The Company has not been declared willful defaulter by bank or financial institution or any other lender during the year.
- c. The company does not have any transactions or balances with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year and previous year.
- d. During the year, there are no instances of any registration, modification or satisfaction of charges which are pending for registration with Registrar of Companies beyond the statutory period.
- e. The Company have no layer of companies, Company is in compliance with the relevant provisions of the Companies Act, 2013 with respect to the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017
- f. Key Financial Ratios is as under: -

Sl. No.	Particulars	Method of Calculations	2021-22	2020-21	% Change	Reason of Change
1	Current Ratio (Times)	Current Assets / Current Liabilities	1.04	1.02		NA
2	Debt Equity Ratio (Times) Including Cash Credit	(Long Term Debts+ Current Maturity of TL + Cash Credit Limit + Leased Liabilities) / Shareholder's Equity	0.35	0.55	36.33%	Due to repayment of Term Loans and lower utilization of the Cash Credit Limit and marked increase in net profit.
3	Debt Service Coverage Ratio	(Profit after Tax + Deferred Tax + Depreciation+ Interest on Term Loan + Loss on sale of Fixed Assets) / (Term Loan Paid +	3.68	4.90	24.99%	NA

**INDIAN SUCROSE LIMITED**

		Interest on Term Loan)				
<b>4</b>	Return on Equity Ratio	Net Profit after Taxes / (opening Shareholder's equity + closing Shareholder's equity) / 2 = Average Shareholder's Equity	<b>2.17</b>	<b>1.41</b>	53.89%	Due to sharp increase in Net Profit.
<b>5</b>	Inventory Turnover Ratio	Revenue / (Opening Inventory + Closing Inventory) / 2 = Average Inventory	<b>2.50</b>	<b>2.30</b>	8.38%	NA
<b>6</b>	Trade Receivable Ratio	Revenue / (Opening Debtors + Closing Debtors) / 2 = Average Debtors	<b>11.47</b>	<b>11.42</b>	0.43%	NA
<b>7</b>	Trade Payable Turnover Ratio	Purchases / (opening Creditors + Closing Creditors) / 2 = Average Trade Payable	<b>4.75</b>	<b>4.90</b>	3.01%	NA
<b>8</b>	Net Capital Turnover Ratio	Revenue from Operation / Working Capital (CA-CL)	<b>2.58</b>	<b>2.66</b>	3.04%	NA
<b>9</b>	Net Profit Ratio	Net Profit / Net Sales	<b>8.28</b>	<b>5.01</b>	65.32%	Due to sharp increase in Net Profit.
<b>10</b>	Return on Capital Employed	Earnings before Interest and Taxes / Capital Employed	<b>0.39</b>	<b>0.44</b>	11.06	NA
<b>11</b>	Return on Investment		<b>NA</b>	<b>NA</b>		

**Note no. 38**

The previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary. The figures are rounded off to nearest rupee in lakhs up to two decimals.

# INDIAN SUCROSE LIMITED

## INDIAN SUCROSE LIMITED

Notes forming part of financial statement for the year ended 31- March, 2022

### 39- Disclosures of financial instruments

(a) The carrying value and fair value of financial instruments by categories at the end of each reporting period is pending at the end as follows:

As at 31 March 2021							
Particulars	Amortized Cost	At fair value through Profit Or Loss		At fair value through OCI		Total Carrying Value	Total fair Value
		Designated upon initial recognition	Mandatory	Equity Instruments designated upon initial recognition	Mandatory		
<b>ASSETS:</b>							
Investment				126.08			126.08
Other non-current financial assets	1,004.86	-	-	-	-	1,004.86	1,004.86
<b>Current Investments</b>							
Trade receivables	7,108.80	-	-	-	-	7,108.80	7,108.80
Cash and bank balances	1,456.87	-	-	-	-	1,456.87	1,456.87
Other bank balances	548.42	-	-	-	-	548.42	548.42
Loan	596.75	-	-	-	-	596.75	596.75
Other financial current assets	652.86	-	-	-	-	652.86	652.86
<b>TOTAL</b>	<b>11,368.57</b>					<b>11,368.57</b>	<b>11,494.65</b>
<b>LIABILITIES:</b>							
Long term borrowings	5,276.06	-	-	-	-	5,276.06	5,276.06
Short term borrowings	12,721.85	-	-	-	-	12,721.85	12,721.85
Trade payables	12,859.42	-	-	-	-	12,859.42	12,859.42
Other financial current liabilities	258.45	-	-	-	-	258.45	258.45
<b>TOTAL</b>	<b>31,115.77</b>					<b>31,115.77</b>	<b>31,115.77</b>

As at 31 March 2020							
Particulars	Amortized Cost	At fair value through Profit or Loss		At fair value through OCI		Total Carrying Value	Total Fair Value
		Designated upon initial recognition	Mandatory	Equity Instruments designated upon initial recognition	Mandatory		
<b>ASSETS</b>							
Investment				138.03			138.03
Other non-current financial assets	2,224.01	-	-	-	-	2,224.01	2,224.01
<b>Current Investments</b>							
Trade receivables	7,375.00	-	-	-	-	7,375.00	7,375.00
Cash and bank balances	293.90	-	-	-	-	293.90	293.90
Other bank balances	2,374.69	-	-	-	-	2,374.69	2,374.69
Loan		-	-	-	-		
Other financial current assets	658.84	-	-	-	-	658.84	658.84
<b>TOTAL</b>	<b>12,926.45</b>					<b>12,926.45</b>	<b>13,064.48</b>
<b>LIABILITIES</b>							
Long term borrowings	6,052.46	-	-	-	-	6,052.46	6,052.46
Short term borrowings	14,360.80	-	-	-	-	14,360.80	14,360.80
Trade Payables	12,510.45	-	-	-	-	12,510.45	12,510.45
Other financial current liabilities	138.07	-	-	-	-	138.07	138.07
<b>TOTAL</b>	<b>33,061.79</b>					<b>33,061.79</b>	<b>33,061.79</b>

### (b) Basis of fair value of financial assets and liabilities

#### (i) Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

#### (ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

As at 31 March 2022					
Particulars	As at 31-Mar-2022	Fair Value Fair Value measurement			
		Level-1	Level-2	Level-3	
<b>Fair value through Other comprehensive Income</b>					
Investments	126.08			126.08	
<b>Financial assets at Amortized Cost</b>					
Other non-current Financial Assets	1,004.86	-	-	1,004.86	
Trade receivables	7,108.80	-	-	7,108.80	
Cash and bank Balance	1,456.87	-	-	1,456.87	
Other Bank Balance	548.42	-	-	548.42	
Loan	596.75	-	-		
Other financial Current Assets	652.86	-	-	652.86	
<b>TOTAL</b>	<b>11,494.65</b>			<b>10,897.90</b>	
<b>Financial liabilities at amortized Cost</b>					
Long term borrowings	5,276.06	-	-	5,276.06	
Short term Borrowings	12,721.85	-	-	12,721.85	
Trade Payables	12,859.42	-	-	12,859.42	
Other financial Current Liabilities	258.45	-	-	258.45	
<b>TOTAL</b>	<b>31,115.77</b>			<b>31,115.77</b>	

As at 31 March 2021					
Particulars	As at 31-Mar-2021	Fair Value Fair Value measurement			
		Level 1	Level 2	Level 3	
<b>Fair value through Other comprehensive Income</b>					
Investments	138.03	-	-	138.03	
<b>Financial assets at Amortized Cost</b>					
Other non-current Financial Assets	2,224.01	-	-	2,224.01	
Trade receivables	7,375.00	-	-	7,375.00	
Cash and bank Balance	293.90	-	-	293.90	
Other Bank Balance	2,374.69	-	-	2,374.69	
Other financial Current Assets	658.84	-	-	658.84	
<b>TOTAL</b>	<b>13,064.48</b>			<b>13,064.48</b>	
<b>Financial liabilities at Amortized Cost</b>					
Long Term Borrowings	6,052.46	-	-	6,052.46	
Short term Borrowings	14,360.80	-	-	14,360.80	
Trade Payables	12,510.45	-	-	12,510.45	
Other financial Current Liabilities	138.07	-	-	138.07	
<b>TOTAL</b>	<b>33,061.79</b>			<b>33,061.79</b>	

**INDIAN SUCROSE LIMITED**

**Statement on Impact of Audit Qualification for the Financial Year ended March 31, 2022  
Under Regulation 33 of the SEBI (LODR) (Amendment) Regulation, 2015**

	S.no	Particulars	Audited Figures ( as reported before adjusting for qualifications) (In Lakhs)	Adjusted figures (as reported after adjusting for qualifications)
	1	Turnover/ Total Income	45,008.00	Please Refer Note no(a) of Auditor Report
	2	Total Expenditure	40,973.00	
	3	Net Profit/loss	3702.00	
	4	Earnings per share	24.07	
	5	Total Assets	50,471.00	
	6	Total liabilities	35,298.00	
	7	Net Worth	15,173.00	
	8	Any other financial item(s) (as felt appropriate by the management)	-	
<b>II</b>	<b>Audit Qualification (each audit qualification separately)</b>			
	<b>a. Details of Audit Qualification:</b> The Company is holding equity investment in Rangar Breweries limited, yadu Resorts(India) Limited and Versatile Events Private Limited. As per Ind AS-32 Financial Instrument Presentation. These Financial Instrument should be presented at fair value but the fair valuation of these financial instruments as on 31.03.2022 is not available with the Company. Accordingly, the same has been presented at their carrying cost as on 31.03.2021			
	<b>b. Type of Audit Qualification :</b> Qualified opinion			
	<b>c. Frequency of qualification :</b> Repetitive			
	<b>d) For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Fair Valuation of the Investment is not available because financial statement of respective Companies could not be prepared due to less availability of staff.			
	<b>e) For Audit Qualification(s) where the impact is not quantified by the auditor:</b> i) Management's estimation on the impact of audit qualification: ii) If management is unable to estimate the impact, reasons for the same iii) Auditor's Comments on (i) or (ii) above			
<b>III</b>	<b>Signatories</b>			
	1. Mr. Kunal Yadav Managing Director			
	2. Mr. Ravinder Sharma Chief Financial Officer)			
	3.Mr. Neeraj Bansal (Audit committee chairman)			
	4. Mr. Vipul Sharma Partner SSVS & Co. FRN:021648C (Statutory Auditor)			

**Date:** 16.06.2022

**Place:** Punjab

# INDIAN SUCROSE LIMITED

Amount in Lakhs			
	Financial Year Ending on		31.03.2021
	31.03.2019 (12 Months)	31.03.2020 (12 Months)	(12 Months)
<b>Net Profit after tax</b>	<b>436</b>	<b>1,228</b>	<b>2,237</b>
<b>Credits to be given</b>			
Add: CSR Exp Debited to	-	2	27
- Bounties and subsidies	-	-	-
<b>Total</b>	<b>436</b>	<b>1,231</b>	<b>2,264</b>
<b>Credits not to be given</b>			
- profits, by way of premium on shares, which are issued or sold by the	-	-	-
- profits on sales by the company of forfeited shares	-	-	-
- profits of a capital nature including profits from the sale of the undertaking or any of the undertakings of the company or of any part thereof	-	-	-
- profits from the sale of any immovable property or fixed assets of a capital nature comprised in the undertaking or any of the undertakings of the company	-	-	2
- any change in carrying amount of an asset or of a liability recognised in equity reserves including surplus in profit and loss account on measurement of the asset or the liability at fair value	-	-	-
<b>Total</b>	-	-	<b>1.55</b>
<b>Deductions to be made</b>			
- all the usual working charges	-	-	-
- directors' remuneration	-	-	-
- bonus or commission paid or payable to any member of the company's staff, or to any engineer, technician or person employed or engaged by the company, whether on a whole-time or on a part-time basis;	-	-	-
- any tax notified by the Central Government as being in the nature of a tax on excess or abnormal profits	-	-	-
- any tax on business profits imposed for special reasons or in special circumstances and notified by the Central Government in this behalf	-	-	-
- interest on debentures issued by the company	-	-	-
- interest on mortgages executed by the company and on loans and advances secured by a charge on its fixed or floating assets	-	-	-
- interest on unsecured loans and advances	-	-	-
- expenses on repairs, whether to immovable or to movable property, provided the repairs are not of a capital nature	-	-	-
- outgoing inclusive of contributions made under section 181	-	-	-
- depreciation to the extent specified in section 123;	-	-	-
- the excess of expenditure over income	-	-	-
<b>Total</b>	-	-	-
<b>Deductions not to be made</b>			
- income-tax and super-tax payable by the company under the Income-tax Act, 1961, or any other tax on the income of the company not falling under clauses (d) and (e) of sub-section (4)	367	690	820
- any compensation, damages or payments made voluntarily, that is to say, otherwise than in virtue of a liability such as is referred to in clause (m) of sub-section (4);	-	-	-
- loss of a capital nature including loss on sale of the undertaking or any of the undertakings of the company or of any part thereof not including any excess of the written-down value of any asset which is sold, discarded, demolished or destroyed over its sale proceeds or its scrap value	-	-	-
- any change in carrying amount of an asset or of a liability recognised in equity reserves including surplus in profit and loss account on measurement of the asset or the liability at fair value	-	-	-
<b>Total</b>	<b>366.74</b>	<b>689.69</b>	<b>819.66</b>
Net Profit as per Section 198	803.13	1,917.83	3,055.30
Average net profit of 3 years	1,829.62	1,351.09	1,925.42
CSR spending of 2%	36.59	27.02	38.51
For FY 2018-19			36.59
For FY 2019-20			27.02
For FY 2020-21			<b>38.51</b>
<p>As per our report of even date attached For SSVS &amp; Co. Chartered Accountants Regn. No.-021648C</p> <p>(Vipul Sharma) Partner M. No.-74437</p> <p>Place: Mukerian Date : 16.06.2022</p>			
<b>For and on behalf of Board of Directors</b>			
	Kunal Yadav Chairman & Managing Director (DIN:01338110)	Jaitender Singh Director (DIN:08164429)	
	Ravinder Sharma Chief Financial Officer	Anamika Raju Company Secretary	



## INDIAN SUCROSE LIMITED

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