Dharani Sugars and Chemicals Limited

Regd. Office: "PGP HOUSE", (Old No.57) New No.59, Sterling Road, Nungambakkam, Chennai - 600 034.
Tel : 28234000, 28311313, 28254176, Fax : 28232074, 28232076
Email : accounts@dharanisugars-pgp.com, commercial @pgpgroup.in, secretarial@dharanisugars-pgp.com
GST No : 33AAACD1281F1Z7 | TIN NO:33061502443 | CST No : 818529/19.11.87
CIN No : L15421TN1987PLC014454, Website : www.dharanisugars.in

DSCL/SE/AR 2024-25/AGM/2025 August, 28 2025

BSE Limited P J Towers, Dalal Street Mumbai – 400 001	National Stock Exchange of Indian Limited Exchange Plaza Bandra Kurla Complex, Bandra (E) Mumbai – 400 051

Sub: Notice of the 38th Annual General Meeting and Annual Report for the Financial Year 2024-25 – SEBI Regulation 34(1) (LODR) Regulation 2015.
Ref: Dharani Sugars and Chemicals Ltd – BSE – Scrip Code: 507442 and NSE-Symbol: DHARSUGAR.

Dear Sirs,

Pursuant to the Provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform the following:

The 38th Annual General Meeting ('AGM') of the Members of Dharani Sugars and Chemicals Limited (the "Company") will be held on **Thursday, the 25th September 2025** at **(IST) 11.00 a.m. through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')** in accordance with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020 and General Circular No. 9/2024 dated September 19, 2024 issued by Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMDI/CIR/P/2020179 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIRJ2024/133 dated October 3, 2024 issued by SEBI. have allowed companies to hold their Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM").

1. Pursuant to the said Circulars AGM Notice and Annual Report for the Financial Year, 2024-25 respectively have been sent to all the members of the Company whose email addresses are registered with the Company / RTA and Depository participant(s).

The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all the resolutions set out in the AGM notice to the members, who are holding shares on the **Cut-off date i.e., Thursday, 18th September 2025**. The remote e-voting will commence on **Monday the 22nd September 2025 at 9.00 a.m. and ends on Wednesday the 24th September 2025 at 5.00 p.m.** Detailed instructions for registering email addresses(s) and voting / attendance at the AGM are given in the AGM Notice.

The Notice, Annual Report and other related documents are also available on the website of the Company at https://www.dharanisugars.com/pdf/DSCLAR24-25.pdf.

1. We also enclose the following documents for your record.
   I. Notice convening the 38th AGM of the Company and
   II. Annual Report of the Company for the Financial Year 2024-25.

Kindly take the same on your record.

Yours faithfully,
For Dharani Sugars and Chemicals Limited

E P Sakthivel
Company Secretary

Copy to :

1. National Depository Services India Limited, Mumbai ,
2. Central Depository Services (India) Limited, Mumbai
3. M/s Cameo Corporate Services Ltd, Chennai. (RTA)

DHARANI SUGARS AND CHEMICALS LIMITED

PGP GROUP

38th ANNUAL REPORT 2024-2025

BOARD OF DIRECTORS

Dr Palani G Periasamy	Executive Chairman
Mr M Ramalingam	Managing Director
Mr A Sennimalai	Director
Mrs Visalakshi Periasamy	Director
Mr P Selvam IAS (Retd)	Independent Director
Mr M Ganapathy IFS (Retd)	Independent Director – (from 12.08.2024)
Dr E Thiyagarajan	Independent Director – (from 12.08.2024)
Dr V R S Sampath	Independent Director (till 10.09.2024)
Mr P S Gopalakrishnan	Independent Director (till 23.09.2024)
Dr S Muthu	Independent Director (till 23.09.2024)
Mr R K Viswanathan	Independent Director (till 23.09.2024)
Dr K C Reddy	Nominee Director – IREDA (till 11.09.2024)
Mr V. Mahalingam	Independent Director (from 29.05.2025)
Mr. P. Sakthivel	Independent Director (from 14.08.2025)
Mr E P Sakthivel	Company Secretary
Mr M P Kaliannan	Chief Financial Officer
Auditors	Srivatsan & Associates, Chartered Accountants. Chennai 600004 Registration number 014921S
Banks and Public Financial Institution	Indian Bank National Asset Reconstruction Company Limited IndusInd Bank Limited Sugar Development Fund
Registered Office	PGP House, New No. 59 (Old No.57) Sterling Road, Nungambakkam, Chennai 600 034 CIN No: L15421TN1987PLC014454
Phone Nos.	91-44-28311313, 28311314
Email & Website	secretarial@dharanisugars-pgp.com www.dharanisugars.com
Factories	Dharani –I , Dharani Nagar, Tirunelveli Dist – 627 760 , Tamil Nadu, Phone No. 04636 – 241370-72 dharani1@dharanisugars-pgp.com
	Dharani –II, Karaipoondi Village, Chetpet, Polur Taluk Tiruvannamalai Dist – Tamil Nadu Phone No. 04181-223161 -162,223170 dharani2@dharanisugars-pgp.com
	Dharani –III, Kalayanallur Village, Sankarapuram Taluk. Villupuram Dist – 606206,Tamil Nadu Phone No. 04151 -248208,248277 dharani3@dharanisugars-pgp.com

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NOTICE TO SHAREHOLDERS

Notice is hereby given that the 38th Annual General Meeting of the Company will be held on Thursday, the 25th September 2025 at 11.00 a.m. through' Video Conference / Other Audio-Visual Means (VC / OAVM) to transact the following business:

ORDINARY BUSINESS

1. **Adoption of Financial Statements**

   To consider, and if thought fit to pass with or without modification, the following resolution as an ORDINARY RESOLUTION.

   "RESOLVED THAT the Audited Financial Statements including Balance sheet, Profit and Loss account and cash flow statements for the year ended 31st March 2025, and the report of the Board of Directors and Auditors thereon be and are hereby considered and adopted."

2. **To appoint a Director in the place of Mr Arunachalam Sennimalai (DIN No.00062791) who has crossed the age of 84 years, retires by rotation and being eligible offers himself for re-appointment.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION.

   "RESOLVED THAT pursuant to SEBI (LODR) 17 (1A) and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr Arunachalam Sennimalai (DIN No.00062791) Non- Executive Director who has attained the age of 84 years and whose tenure comes to close in the ensuing Annual General meeting be and is hereby appointed as Non-Executive Director liable to retire by rotation."

3. **Ratification of Appointment of Statutory Auditor.**

   To consider, and if thought fit to pass with or without modification, the following resolution as an ORDINARY RESOLUTION.

   "RESOLVED THAT pursuant to the provisions of section 139, 142 and any other applicable provisions of the Companies Act, 2013 and Audit & Auditors Rules, 2014, (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) consent of the Company is hereby accorded for the ratification of appointment of M/s Srivatsan & Associates, Chartered Accountants, Chennai with firm Registration No. 014921S as Statutory Auditors for a period of 5 years from the conclusion of the, 36th Annual General Meeting to 41st Annual General Meeting of the Company for the financial year 2023-2024 to 2027-2028 on such remuneration Rs.5.00 lakhs + GST (per annum) and out of pocket expenses as agreed upon by the Board of Directors meeting held on 29th May 2025 in consultation with the Auditors, be and is hereby approved."

SPECIAL BUSINESS

4. **Appointment of Mr M Mahalingam Venkatachalam, (DIN 10954304) as an Independent Director – Non- Executive.**

   To consider, and if thought fit to pass with or without modification, the following resolution as SPECIAL RESOLUTION.

   "RESOLVED THAT pursuant to the recommendationof the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 17(1) (a) and 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)Regulations, 2015 as amended ("SEBI Listing Regulations") (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force) and any other applicable provisions of SEBI Listing Regulations, Mr MAHALINGAM VENKATACHALAM IFS (Retd) (DIN 10954304), who was appointed by the Board of Directors of the Company as an Additional Director in the capacity of Independent Director of the Company with effect from 29th May 2025 pursuant to provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying the member's

intention to propose appointment of Mr MAHALINGAM VENKATACHALAM IFS (Retd) (DIN 10954304), as an Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company for a first term of 5 years, with effect from 29th May 2025 to 28th May 2030 not liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 149,and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr **MAHALINGAM VENKATACHALAM IFS (Retd) (DIN 10954304)**, be paid such fees and commission as the Board of Directors of the Company may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

"RESOLVED FURTHER THAT any one of Directors or Key Managerial Personnel(s) of the Company be and is hereby severally authorised to liaise with, to do all acts, deeds and things as may be necessary, usual and expedient to give effect to the aforesaid resolution."

5. Appointment of Mr Sakthivel P, (DIN 11240429) as an Independent Director – Non- Executive.

To consider, and if thought fit to pass with or without modification, the following resolution as SPECIAL RESOLUTION.

"RESOLVED THAT pursuant to the recommendationof the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 17(1) (a) and 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)Regulations, 2015 as amended ("SEBI Listing Regulations") (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force) and any other applicable provisions of SEBI Listing Regulations, **Mr Sakthivel P, (DIN 11240429),** who was appointed by the Board of Directors of the Company as an Additional Director in the capacity of Independent Director of the Company with effect from 29th May 2025 pursuant to provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying the member's intention to propose appointment of **Mr Sakthivel P, (DIN 11240429),** as an Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company for a first term of 5 years, with effect from 14th August 2025 to 13th August 2030 not liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, **Mr Sakthivel P, (DIN 11240429)**, be paid such fees and commission as the Board of Directors of the Company may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

"RESOLVED FURTHER THAT any one of Directors or Key Managerial Personnel(s) of the Company be and is hereby severally authorised to liaise with, to do all acts, deeds and things as may be necessary, usual and expedient to give effect to the aforesaid resolution."

6. To Approve the Related Party Transactions Limits with M/s. Dharani Developers Private Limited ('DDPL')

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of section 188 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of the Members be and is hereby accorded to the Company for entering into and/or continuing with arrangements / contracts / agreements /transactions /Loans/Advances (whether by way of an individual transaction or transactions taken together

or series of transactions or otherwise) with Dharani Developers Private Limited ('DDPL') being a related party of the Company, the amount already borrowed and future borrowings shall not exceed in an aggregate of Rs.275,00,00,000 (Rupees Two Hundred Seventy Five Crores Only), for the earlier period, from the date of 38th Annual General Meeting up to the date of 39th Annual General Meeting (both days inclusive), (hereinafter referred to as 'RPT period'), as set out in the statement annexed to this notice, provided that such arrangement(s)/contract(s)/ agreement(s) /transaction(s) / Loans and Advances shall be carried out on an arm's length basis and in the ordinary course of business of the Company"

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution"

7. **To Approve the Related Party Transactions Limits with Promoter Dr. Palani G Periasamy**

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 188 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of the Members be and is hereby accorded to the Company for entering into and/or continuing with arrangements / contracts / agreements /transactions /Loans/Advances (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with Dr Palani G Periasamy being a related party of the Company, the amount already borrowed and future borrowings shall not exceed in an aggregate Rs.25,00,00,000 (Rupees Twenty Five Crores Only), for the earlier period, from the date of 38th Annual General Meeting up to the date of 39th Annual General Meeting (both days inclusive), (hereinafter referred to as ' RPT period'), as set out in the statement annexed to this notice, provided that such arrangement(s)/contract(s)/agreement(s) /transaction(s) / Loans and Advances shall be carried out on an arm's length basis and in the ordinary course of business of the Company"

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution""

8. **Appointment of M/s. M Damodaran & Associates LLP, as the Secretarial Auditor of the Company.**

To consider, and if thought fit to pass with or without modification, the following resolution as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Regulation 24A (1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") including circulars issued thereunder and in accordance with Section 204 of the Companies Act, 2013 ("the Act") and rules made thereunder (including any statutory amendment(s), modification(s) thereto or re-enactment(s) thereto), on the recommendation of the Audit committee and the Board of Directors of the Company, consent of the Company be and hereby accorded for appointment of M/s. M Damodaran & Associates LLP, Practicing Company Secretaries (Firm Registration Number L2019TN006000) (Peer review Certificate No.3847/2023), who have confirmed their eligibility as per requirements of Regulation 24A (1A) of the SEBI Listing Regulations, as the Secretarial Auditor of the Company for a first term of 5 (five) years for the Financial Years from 2025-26 to 2029-2030 to conduct a secretarial Audit of the Company and furnish the secretarial audit report."

"RESOLVED FURTHER THAT the Board of Directors (including any committee thereof), be and is hereby authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Secretarial Auditor and to do all

other acts, matters, deeds and things as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

9. Ratification of Appointment of Cost Auditor.

To consider, and if thought fit to pass with or without modification, the following resolution as an ORDINARY RESOLUTION.

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions , if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, (Including any statutory modification (s) or re-enactment thereof for the time being in force), the remuneration payable to M/s SRR Associates, Cost Accountants (FRN No.000992), appointed by the Board of Directors on the recommendations of the Audit Committee, as the Cost Auditors of the Company to conduct the audit of the Cost records of the Company for the financial year 2025-26 a sum not exceeding Rs.1,50,000/- (Rupees one lakh and fifty thousand only) plus reimbursement to travel and out of pocket expenses incurred for purpose of such audit be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors (including any committee thereof), be and is hereby authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Cost Auditor and to do all other acts, matters, deeds and things as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

By order of the Board

For Dharani Sugars and Chemicals Limited

Place: Chennai
Date: 14th August 2025

E P Sakthivel
Company Secretary

NOTES:

1. The Ministry of Corporate Affairs, Government of India ("MCA") has, vide its circular No. 9/2024 dated September 19, 2024, read with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 28, 2022 and September 25, 2023 (collectively referred to as "MCA Circulars"), allowed inter-alia the conducting of AGMs through Video Conferencing/Other Audio-Visual Means ("VC/OAVM") facilities on or before September 30, 2025, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular dated May 5, 2020. The Securities and Exchange Board of India ("SEBI") has also, vide its Circular No. SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circular"), provided certain relaxations from compliance with certain provisions of the SEBI Listing Regulations. In compliance with these Circulars, the provisions of the Act and SEBI Listing Regulations, the 38th AGM of the Company is being conducted through the VC/OAVM facility without the physical presence of members at a common venue. The deemed venue for the 38th AGM shall be the Registered Office of the Company. As the AGM is conducted through VC/OAVM, the facility for the appointment of a proxy by the members is not available for this AGM and hence the Proxy Form and Attendance Slip including the Route Map, are not annexed to this Notice.

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

3. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to certain ordinary business and the special businesses to be transacted at the 38th AGM is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to secretarial@dharanisugars-pgp.com .

4. Since the 38th AGM is being held through VC/ OAVM, the route map of the venue of the Meeting is not annexed to this Notice.

5. As per the provisions under the MCA Circulars, Members attending the 38th AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. The Company has appointed M/s. M Damodaran & Associates, LLP, Practicing Company Secretaries to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

6 .A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a shareholder of the company. However, as this AGM is being held through VC / OAVM, physical attendance of shareholders is dispensed with. Accordingly, the Facility for appointment of proxies by the shareholders is not applicable for this e-AGM. Hence the proxy form and attendance slip are not being annexed to this Notice and the resultant requirement for submission of proxy forms does not arise.

   The presence of shareholders through VC / OAVM will be reckoned for the purpose of quorum under Section 103 of the Act. Corporate shareholders entitled to appoint authorized representatives are requested to send a duly certified copy of Board Resolution authorizing their representative(s) to attend the e-AGM, and cast their votes through e-voting. Pursuant to Section 113 of the Companies Act, 2013.

7. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The result of e-voting will be declared within 48 hours of the conclusion of the Meeting and the same, along with the consolidated scrutinizer's Report will be placed on the website of the company www.dharanisugars.com and on the website of CDSL at https://evoting.india.com. The results will simultaneously be communicated to the stock exchanges.

8. The Register of Members and Share Transfer books will remain closed from **19th September 2025 to 25th September 2025 (both days inclusive)**.

8a. As per the the provisions of Section 125(2) of the Companies Act, 2013 Unpaid Dividend for over 7 years will be transferred to the Investor Education and Protection Fund. There was no dividend declared and paid last year.

Shareholders may refer to page No.53 of the Annual Report and lodge their claim, if any, immediately. Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more had been transferred to Investor Education and Protection Fund. Shareholders may refer to page No.53 of the Annual Report for details.

8b. Particulars of Directors seeking re-appointment pursuant to Regulation 36(3) of the Listing Regulations is given in Annexures that forms part of this Notice.

9. Members may note that pursuant to the General Circular No. 20/2020 dated May 5, 2020 issued by the MCA, the Company has enabled a process for the limited purpose of receiving the Company's Annual Report and Notice for the Annual General Meeting (including remote e-voting instructions) electronically, and Members may temporarily update their email address by sending email at investor@cameoindia.com.

10. After due verification and receipt of email address Updation request, the Company will send the annual report at your registered email address.

11. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending further communication(s).

12. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or its Registrar and Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4 for this purpose.

13. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.

14. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be: - a) the change in the residential status on return to India for permanent settlement, and b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

15. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Share Transfer Agent or the Secretarial Department of the Company at its registered office.

16. The following documents will be available for inspection by the Members electronically during the 38th AGM: a) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013. Members seeking to inspect such documents can send an email to secretarial@dharanisugars-pgp.com

17. In case of any queries regarding the Annual Report, the Members may write to secretarial @dharanisugars-pgp.com to receive an email response.

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

19. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.dharanisugars.com The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited www.nseindia.com . The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

I. DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

1. In compliance with the MCA Circulars and SEBI Circulars the notice of the 38th AGM along with the Annual Report 2024-25 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2024-25 will also be available on the Company's website at http://www.dharanisugars.com website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and NSE Limited at www.nseindia.com.
2. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited, Subramanian Building" No.1 Club House Road Chennai-600002, Tamilnadu at investor@cameonindia.com

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

1. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting (“remote e-voting") and e-voting during the AGM.
2. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
3. The voting period begins on **Monday the 22nd September 2025 at 9.00 a.m. and ends on Wednesday the 24th September 2025 at 5.00 p.m.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date 18th September 2025** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
4. Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholder's / retail shareholders is at a negligible level.
5. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facilities to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
6. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
7. In terms of SEBI circular no. SEBI/HO/CFD /CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

8. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meeting is given below:
For Individual shareholders holding securities in Demat mode:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	I. Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/ myeasi / home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. ii. After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ CAMEO / LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. iii. If the user is not registered for Easi / Easiest, option to register is availableat https://web.cdslindia.com/myeasi./Registration / Easi Registration. iv. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with **NSDL**	i. If you are already registered for the NSDL IDeAS facility, please visit the e-Services website of NSDL. Open a web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting " under e-Voting services and you will be able to see the e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. ii. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click athttps://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii. Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting options. Once you click on the e-Voting option, you will be redirected to the NSDL/CDSL Depository site after successful authentication, wherein you can see the e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL Login type	**Helpdesk details**
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

For non-individual shareholders and physical shareholders

i. The shareholders should log on to the e-voting website www.evotingindia.com.

ii. Click on Shareholders.

iii. Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
c. Members holding shares in Physical Form should enter Folio Number registered with the company.

iv. Next enter the Image Verification as displayed and Click on Login.

v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	i. Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ii. Shareholders who have not updated their PAN with the Company /Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	i. i. Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ii. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

ix. For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x. Click on the EVSN for the DHARANI SUGARS AND CHEMICALS LIMITED on which you choose to vote.

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

the Resolution and option NO implies that you dissent to the Resolution.

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

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

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

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

xvi. If a Demat account holder has forgotten the login password then enter the User ID and the image Verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Facility for Non – Individual Shareholders and Custodians –Remote Voting

a. Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

d. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

f. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@dharanisugars-pgp.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meetings & e-Voting on the day of the AGM is the same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend the meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow cameras and use the Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **Seven (7) days** prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at secretarial @dharanisugars-pgp.com . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance Seven (7) days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at secretarial@dharanisugars-pgp.com . These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

IV. PROCESS FOR THOSE SHAREHOLDERS WHO'S EMAIL ADDRESSES IS NOT REGISTERED WITH THE DEPOSITORIES F O R OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attestedscanned copy of Aadhar Card) by email to secretarial@dharanisugars-pgp.com .
2. For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meeting through Depository.
4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting @cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

By order of the Board
For Dharani Sugars and Chemicals Limited

Place: Chennai
Date: 14th August 2025

E P Sakthivel
Company Secretary

APPENDEX – A

INFORMATION ABOUT THE DIRECTOR SEEKING RE-APPOINTMENT IN THIS ANNUAL GENERAL MEETING IS FURNISHED HERE UNDER REGULATION 36(3) (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015.

Item No.2 Retirement by Rotation

Name of the Director & DIN	Mr Arunachalam Sennimalai & 00062791
Date of Birth & Age	06/02/1942 (84 years)
Date of 1st Appointment on the Board	04/06/1987
Qualification	M.Sc., M B A
Experience in specific functional areas	He has vast experience in the general management and Administration. He has been the Managing Director of Appu Hotels Limited and Director of Dharani Credit and Finance Private Limited. Mr A Sennimalai, holds M.Sc., MBA Degree and has more than 45 years' experience in GeneralManagement and Administration.
List of other listed Companies in which Directorship held	Nil
Remuneration last drawn (2024-25)	Sitting Fees Rs.0.75 lakhs.
Remuneration proposed to be paid	Sitting Fees as decided by the Board of Directors
Chairman/Member of the Committee of Director of the Company of the Board	**Director,** 1. Dharani Sugars & Chemicals Limited. **Member** 1.Management Committee, 2.Audit Committee, 3.Nomination & remuneration Committee 4.Stake Holders Relationship Committee
Chairman / Member of the Committee of the other Companies in which he/she is a Director	1.**Managing Director,** Appu Hotels Limited
Number of Shares held in the Company (both own or held by / for other persons on a beneficial basis) as on March 31, 2025	29182
Relationship between directors inter - se	Nil

APPENDEX – A

INFORMATION ABOUT THE DIRECTOR SEEKING APPOINTMENT IN THIS ANNUAL GENERAL MEETING IS FURNISHED HERE UNDER REGULATION 36(3) (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015.

Item No.4 Appointment of Independent Director

Name of the Director & DIN	Mr.Mahalingam Venkatachalam IFS (Retd) (DIN 10954304)
Date of Birth & Age	02-06-1959 & 66 years
Date of Appointment	29.05.2025
Qualification	Retd IFS, Engineering Degree and an MBA from the prestigious Indian Institute of Management, Ahmedabad.
Experience in specific functional areas	Ambassador V. Mahalingam had an eventful career in the Indian Foreign Service for nearly thirty years. He was the High Commissioner of India to Guyana, Ambassador of India to Caribbean Community, High Commissioner of India to Antigua and Barbuda, High Commissioner of India to Saint Kitts and Nevis, India's first ever Consul General in Jaffna in Sri Lanka, and Consul General of India to Anguilla, the British Administered Territory in West Indies. He also served in various capacities in the Indian Embassies in Indonesia, Malaysia and Croatia apart from holding important positions in Government of India. He was also Regional Passport Officer in Chennai as well as in Delhi. He successfully piloted the present IT based popular and user-friendly Passport Seva Project's Mission Mode project in the country's first ever two Passport Seva Kendra's (PSKs)in Bangalore. He also had a few years' excellent Corporate Sector experience before joining the prestigious Indian Foreign Service. He raised fast to the middle management level in the then "Crown in the Jewel" Public Sector Organization- HMT Ltd. Before demitting office in HMT, he wasin charge of Market Planning and Research and Advertising Department of Tractor Division Head Quarters in Chandigarh and handled All India territory.
ist of other listed Companies in which Directorship held	Nil
Terms and Conditions of Appointment	He is proposed to be appointed as Non-Executive, Independent Director not liable to retire by rotation.
Remuneration proposed to be paid	Sitting Fees as decided by Board of Directors
Chairman/Member of the Committee of the Board of Director of the Company.	Nil
Chairman / Member of the Committee of the other Companies in which he/she is a Director	Nil
Number of Shares held in the Company (both own or held by / for other persons on a beneficial basis) as on March 31, 2025	Nil
Relationship between directors inter - se	Nil

Item No.5 Appointment of Independent Director

Name of the Director & DIN	P Sakthivel (DIN 11240429)
Date of Birth & Age	23-04-1961 & 64 years
Date of Appointment	14.08.2025
Qualification	He is a Post Graduate in Commerce- M.Com., from University of Madras.
Experience in specific functional areas	He is having the vast and depth knowledge and experience in General Insurance, He is Specialized in Marketing, and Technical Divisions in the United India Insurance Company Limited, and he has served 36 years in General Administrations in various capacities. He is retired as Deputy Manager from United India Insurance Company Limited.
List of other listed Companies in which Directorship held	Nil
Terms and Conditions of Appointment	He is proposed to be appointed as Non-Executive, Independent Director not liable to retire by rotation.
Remuneration proposed to be paid	Sitting Fees as decided by Board of Directors
Chairman/Member of the Committee of the Board of Director of the Company.	Nil
Chairman / Member of the Committee of the other Companies in which he/she is a Director	Nil
Number of Shares held in the Company (both own or held by / for other persons on a beneficial basis) as on March 31, 2025	Nil
Relationship between directors inter - se	Nil

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4 Appointment of Mr.Mahalingam Venkatachalam, IFS (Retd) (DIN 10954304) as an Independent Director.

The Companies Act, 2013 (the Act) read with SEBI Regulation 17 (1) (b) (LODR) Regulations 2015 where the Chairperson of the Board of Directors is a executive director at least 50% of Board of Directors shall comprise Independent Directors. In reference to this, the Company at the Board Meeting held on 29.05.2025, appointed Mr Mahalingam Venkatachalam, IFS (Retd) (DIN 10954304) as Additional Director (Non- Executive, Independent Director.)

Ambassador V. Mahalingam had academic excellence includes an Engineering degree and an MBA from the prestigious Indian Institute of Management, Ahmedabad.

Ambassador V Mahalingam has been quite involved in projects relating to many Corporates after his superannuation from IFS. Presently, he is Chief Advisor of a Sri Lankan registered charitable organisation - Moksha Trust which is a CSR arm of an established Real Estate giant in Bengaluru. He is also Chief Advisor of a TN based Start-up Engineering Education Company Entudio Private Ltd. providing employment-oriented training on Robotics, Drone Technology, Artificial Intelligence, etc., to the budding Engineering graduates. He runs an NGO called Four knot, protecting the fragile marriages between NRI couples settled abroad. Also he himself is an entrepreneur dealing in agro inputs and machinery, pharmaceuticals, nutraceuticals, etc.

He has a well-established network of political personalities, distinguished individuals and businessmen, Indian Diaspora, etc., all over the globe. He is known for his selfless service to public during as well as post retirement.

In the opinion of the Board, Mr. Mahalingam Venkatchalam IFS (Retd) fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

b) Interest of Director, Key Managerial personnel and their relatives:

None of (i) The Directors

(ii) Key Managerial Personnel (CEO & CS), and Relatives of the persons mentioned in (i) and (ii) are interested in the above said resolution.

c) Relevance of Resolution in any other Company. -

The above resolution does not affect any other Company.

d) Inspection of Documents - Document will be available for inspection by shareholders at the Registered of the Company during business hours.

In the light of the above the Board of Directors recommend the special resolution for the approval of the Shareholders.

Item No. 5 Appointment of Mr. Sakthivel P (DIN 11240429) as an Independent Director

The Companies Act, 2013 (the Act) read with SEBI Regulation 17 (1) (b) (LODR) Regulations 2015 where the Chairperson of the Board of Directors is a executive director at least 50% of Board of Directors shall comprise Independent Directors. In reference to this, the Company at the Board Meeting held on 14.08.2025, appointed Mr. Sakthivel P (DIN 11240429) as Additional Director (Non- Executive, Independent Director.)

He is a Post Graduate in Commerce- M.Com., from University of Madras.

He is having the vast and depth knowledge and experience in General Insurance, He is Specialized in Marketing, and Technical Divisions in the United India Insurance Company Limited, and he has served 36 years in General Administrations in various capacities.

He is retired as Deputy Manager from United India Insurance Company Limited.

In the opinion of the Board, Mr. Sakthivel P fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

b) Interest of Director, Key Managerial personnel and their relatives:

None of (i) The Directors

(ii) Key Managerial Personnel (CEO & CS), and Relatives of the persons mentioned in (i) and (ii) are interested in the above said resolution.

c) Relevance of Resolution in any other Company. -

The above resolution does not affect any other Company.

d) Inspection of Documents - Document will be available for inspection by shareholders at the Registered of the Company during business hours.

In the light of the above the Board of Directors recommend the special resolution for the approval of the Shareholders.

Item No. 6 Related Party Transactions Limits with M/s. Dharani Developers Private Limited ('DDPL')

This approval is being sought for the purpose of section 188 of Companies Act, 2013 and the aforementioned rules. The SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11 November 2024 ('the SEBI Master Circular')

Details of such transactions with M/s. Dharani Developers Private Limited, related party of the Company, are as follows:

S.No	Particulars	Details
a.	Type, material terms and particulars of the proposed transaction	Inter Corporate Loans
b.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	M/s Dharani Developers Private Limited, Holding 19.83% of the paid up share capital in the **Dharani sugars and Chemicals Limited.**
c.	Tenure of the proposed transaction (particular tenure shall be specified); .	Repayable on or before 31st March 2028.
d.	Value of the proposed transaction;	Rs.275 Crores
e.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	As the Company has just come out of CIRP process on 9th May 2024, the Promoters/Associate Companies need to bring funds to settle part of the existing liabilities and to re start the operations. On account of this, there is no turnover in the Company. However, the borrowings / proposed borrowings exceed 10% of the turnover of the Company, approval of the shareholders is required for. Inter corporate Loans exceeds 10% of the turnover of the company. Hence, approval is required. The proposed Inter corporate Loans is 38450% of the listed entity's annual turnover.
f.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	i. details of the source of funds in connection with the proposed transaction;	Out of own funds.
	ii. where any financial indebtedness is incurred to make or give loans, inter corporate deposits, advances or investments, nature of indebtedness; cost of funds; and tenure;	Inter Corporate Loans Rate of interest 10% per annum Repayable on or before 31st March 2028.
	iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Unsecured Loans

S.No	Particulars	Details
	iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	The Company is in the process of settling the Bank/Financial Institution loans by way of one-time settlement to meet other liabilities for which the Company had to raise Inter Corporate Loans from various Corporate and including from Company Directors/Associates Companies.
g.	Justification as to why the RPT is in the interest of the listed entity;	Based on the settlement proposal submitted by the Promoter U/s 12 A of IBC 2016, the CoC and NCLT has approved the proposal and ordered the withdrawal of the CIRP process and restored the powers of the Board vide its order No. IA (IBC)/825/ CHE/2024 in IBA/976/2019 dated 9th May 2024. During the CIRP Period and after the CIRP period the Company has received Inter Corporate Deposits/Loans from Company including Directors/Associates Companies to meet the loan obligations/settlement of loans, expenses of Salary, Electricity charges, materials for overhauling of machineries, Security charges and other essential expenses.
h.	A copy of the valuation or other external party report, if any such report has been relied upon;	Not applicable
i.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;	Inter corporate Loans exceeds 10% of the turnover of the counter-party's Hence, approval is required. The proposed Inter corporate Loans is 6501% of the counter-party's annual turnover.
j.	Any other information that may be relevant	Nil

Members, the Audit Committee and Board of Directors at its meeting held on 29th May 2025 has granted its omnibus approval to the related party transaction with M/S Dharani Developers Private Limited to be entered into operational transactions of the earlier period and from the period of 38th Annual General Meeting to 39th Annual General Meeting.

In accordance with Regulation 23 of the SEBI Listing Regulations, "Material Related Party transactions" means any transaction with a related party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual turnover as per the last audited financial statements of the Company.

Pursuant to the section 188 (1) of Companies act, 2013 read along with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 mandates approval of Members is required by means of an ordinary resolution for significant related party transactions.

In terms of above said section, approval from shareholders shall be obtained if a transaction with a related party exceeds 10 % or more of the turnover or the net worth as the case may be (if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year).

The Company has obtained approval from the Shareholders in the 28th Annual General Meeting held on 28th September 2015 to borrow funds up to Rs .1000 Crores.

Out of the overall limit of 1000 crores, now approval of the members is being sought for transactions with Dharani Developers Private Limited ('DDPL'), a related party of the Company for the amount already borrowed and future borrowings not exceeding an aggregate amount of Rs.275 Crores (Rupees Two Hundred Seventy-Five Crores Only), for the earlier period and from the date of 38th Annual General Meeting up to the date of 39th Annual General Meeting (both days inclusive)

Promoters of the Company and their relatives are interested in the resolution set out at Item No. 6 of the accompanying Notice.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Pursuant to Regulation 23 of the Listing Regulations, Members of the Company may also note that no related party of the Company shall vote to approve the Ordinary Resolution set out at Item No. 6 of the accompanying Notice whether the entity is related party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No.6 of the accompanying Notice for the approval of members of the Company.

Item No. 7 Related Party Transactions Limits with the promoter Dr. Palani G Periasamy,

This approval is being sought for the purpose of section 188 of Companies Act, 2013 and the aforementioned rules. The SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11 November 2024 ('the SEBI Master Circular')

Details of such transactions with Dr Palani G Periasamy, related party of the Company, are as follows:

S.No	Particulars	Details
a.	Type, material terms and particulars of the proposed transaction	Inter Corporate Loans
b.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	**Dr. Palani G Periasamy,** Executive Chairman and holding 9.55% of the paid up share capital in the **Dharani sugars and Chemicals Limited**
c.	Tenure of the proposed transaction (particular tenure shall be specified);	Repayable on or before 31st March 2028.
d.	Value of the proposed transaction;	Rs.25 Crores
e.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	As the Company has just come out of CIRP process on 9th May 2024, the Promoters/Associate Companies need to bring funds to settle part of the existing liabilities and to re start the operations. On account of this, there is no turnover in the Company. However, the borrowings/proposed borrowings exceed 10% of the turnover of the Company, approval of the shareholders is required for. Inter corporate Loans exceeds 10% of the turnover of the company. Hence, approval is required. The proposed Inter corporate Loans is 3495% of the listed entity"s annual turnover.
f.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	i. details of the source of funds in connection with the proposed transaction;	Out of own funds.
	ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, nature of indebtedness; cost of funds; and tenure;	Inter Corporate Loans Rate of interest 10% per annum Repayable on or before 31st March 2028.
	iii. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Unsecured Loans
	iv. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	The Company is in the process of settling the Bank/Financial Institution loans by way of one-time settlement to meet other liabilities for which the Company had to raise Inter Corporate Loans from various Corporate and including from Company Directors/Associates Companies.
g.	Justification as to why the RPT is in the interest of the listed entity;	Based on the settlement proposal submitted by the Promoter U/s 12 A of IBC 2016, the CoC and NCLT has approved the proposal and ordered the withdrawal of the CIRP process and restored the powers of the Board vide its order No. IA (IBC)/825/ CHE/2024 in IBA/976/2019 dated 9th May 2024. During the CIRP Period and after the CIRP period the Company has received Inter Corporate Deposits/Loans from Company including Directors/Associates Companies to meet the loan obligations/settlement of loans, expenses of Salary, Electricity charges, materials for overhauling of machineries, Security charges and other essential expenses.

S.No	Particulars	Details
h.	A copy of the valuation or other external party report, if any such report has been relied upon;	Not applicable
i.	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;	Not applicable
j.	Any other information that may be relevant	Nil

Members, the Audit Committee and Board of Directors at its meeting held on 29th May 2025 has granted its omnibus approval to the related party transaction with Dr Palani G Periasamy to be entered into operational transactions of the earlier period and from the period of 38th Annual General Meeting to 39th Annual General Meeting.

In accordance with Regulation 23 of the SEBI Listing Regulations, "Material Related Party transactions" means any transaction with a related party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual turnover as per the last audited financial statements of the Company.

Pursuant to the section 188 (1) of Companies act, 2013 read along with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 mandates approval of Members is required by means of an ordinary resolution for significant related party transactions.

In terms of above said section, approval from shareholders shall be obtained if a transaction with a related party exceeds 10 % or more of the turnover or the net worth as the case may be (if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year).

The Company has obtained approval from the Shareholders in the 28th Annual General Meeting held on 28th September 2015 to borrow funds up to Rs .1000 Crores.

Out of the overall limit of 1000 crores, now approval of the members is being sought for transactions with Dr Palani G Periasamy, Executive Chairman, a related party of the Company for the amount already borrowed and future borrowings not exceeding an aggregate amount of Rs.25 Crores (Rupees Twenty five crores only), for the earlier period and from the date of 38th Annual General Meeting up to the date of 39th Annual General Meeting (both days inclusive)

Dr Palani G Periasamy, Chairman and Mrs Visalakshi Periasamy, Director of the Company and their relatives are interested in the resolution set out at Item No. 7 of the accompanying Notice.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Pursuant to Regulation 23 of the Listing Regulations, Members of the Company may also note that no related party of the Company shall vote to approve the Ordinary Resolution set out at Item No. 7 of the accompanying Notice whether the entity is related party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No.7 of the accompanying Notice for the approval of members of the Company.

Item No.8 Appointment of Secretarial Auditor.

Pursuant to the provisions of Section 204 of the Act, read with the relevant rules including the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company and other specified class of companies, are required to annex with its Board's report made in terms of Section 134(3) of the Act, a report on secretarial audit given by a company secretary in practice.

Further, Regulation 24A (1) (a) of the SEBI Listing Regulations, requires listed companies and its material unlisted subsidiaries incorporated in India to undertake secretarial audit by a secretarial auditor who is required to be a peer reviewed company secretary and annex the secretarial audit report in such form as specified, with its annual report.

The aforementioned regulation apart from listing down the eligibility criteria for appointment of the secretarial auditor, further stipulates that the appointment/ re-appointment of an individual as a secretarial auditor cannot be for more than one term of 5 (five) consecutive years and in case the secretarial auditor is a secretarial audit firm, it cannot be for more than two terms of 5 (five) consecutive years and such an appointment/re-appointment is required to be approved by the members of the company at its annual general meeting, based on the recommendation of the board of directors.

It further stipulates that any association of the individual or the firm as the secretarial auditor of the listed entity before March 31, 2025 is not required to be considered for the purpose of calculating the tenure of the secretarial auditor.

In view of the aforesaid, basis recommendation of the Audit Committee, the Board at its meeting held on May, 29, 2025, recommended the appointment of M/s. M Damodaran & Associates LLP, Company Secretaries (Firm Registration Number - L2019TN006000) (Peer review Certificate No.3847/2023) (who was also the secretarial auditor of the Company earlier and thus, the firm is aware of the business and functioning of the Company), as the secretarial auditor, for a period of 5 (five) consecutive financial years i.e.; from FY2025-26 upto FY2029-30, to undertake secretarial audit and issue the necessary secretarial audit report for the aforesaid period.

M/s. M Damodaran & Associates LLP, established in the year 2002, is a reputed firm of Company Secretaries with specialization across secretarial audit, corporate laws, foreign exchange laws, securities law including corporate governance, CSR, capital markets, RBI, etc.

Its clientele spans across corporates in the public sector, listed and multinational companies, leading corporates, MSMEs and firms.

M/s. M Damodaran & Associates LLP is a peer reviewed and quality reviewed firm in terms of the guidelines issued by the Institute of Company Secretaries of India.

M/s. M Damodaran & Associates LLP meets the eligibility criteria as enumerated under Regulation 24A (1A) of the Listing Regulations. M/s. M Damodaran & Associates LLP have given their consent to act as the Secretarial Auditor of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under the Act,

SEBI Listing Regulations and guidelines issued by the Institute of Company Secretaries of India.

In view of the aforesaid, the Board of Directors recommends the ordinary resolution set forth in Item No. 8 for approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned/interested, financially or otherwise, in the said resolution.

Item No. 9: Ratification of Appointment of Cost Auditor

The Company is engaged in three business segments viz., Sugar, Co-generation of Power and Distillery products. The Company is maintaining cost accounting records as per Companies (Cost records and audit) Rules, 2014.

While the remuneration for audit of cost records is determined by the Board of Directors on the recommendation of Audit Committee, it will have to be ratified by the shareholders at the Annual General Meeting.

The Board of directors have appointed M/s SRR Associates Cost Accountants (Firm No:000992), as cost auditor to audit the cost records for the financial year 2025-26 pertaining to Sugar, Cogeneration of power and Distillery segments and determined the remuneration of Rs.1,50,000/- plus out of pocket expenses on the recommendation of the Audit committee.

It is now placed for the approval of shareholders in accordance with Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules 2014.

No Director or Key Managerial Personnel of the company or their relatives are concerned or interested financially or otherwise, in this business.

BOARD'S REPORT

Dear Members,

Your Board of Directors are pleased to present the 38th Annual General Meeting on the operations of the Company and the Audited Statement of accounts for the year ended 31st March 2025.

FINANCIAL PERFORMANCE

Rs. in Crores

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Total Revenue	0.72	0.18
Profit/(Loss) before Interest, Depreciation and Tax	(20.89)	(6.41)
Interest and Finance Charges	41.92	5.99
Cash Profit/ (Loss)	(62.81)	(12.40)
Depreciation	22.10	22.18
Profit/ (Loss) before Tax	(84.91)	(34.58)
Deferred Tax -Asset/ (Liability)/ Exceptional Items	(10.91)	155.90
Profit / (Loss) After Tax	(95.82)	121.32
Profit / (Loss) brought forward from last year	(108.98)	(230.30)
Profit / (Loss) carried forward	(204.80)	(108.98)

The financial statements have been prepared in compliance with the Indian Accounting Standards.

COMPANY PERFORMANCE

Sugar, Alcohol and Power: During this period under review, the Company was not able to start cane crushing operation in all units as the company has not cleared the cane arrears relating to sugar season 2018-19 and the company was in CIRP Process. The Company has come out from the CIRP Process on 9th May 2024 and the Company is taking effective steps to Operate the Sugar, Power and Distillery plants in the coming Sugar Season.

TRANSFER TO GENERAL RESERVES

No amount is proposed to be transferred to General Reserves account on account loss incurred in the current year.

DIVIDEND

In view of the accumulated losses, Directors do not recommend any dividend to the Equity shareholders for the financial year 2024-25.

Pursuant to Regulation 43A of LODR Regulation 2015, the regulations related to Dividend Distribution Policy are not applicable to the Company.

SHARE CAPITAL

There is no change in the Authorised Share Capital of the Company. Rs 50 Crores for Equity shares and Rs.10 Crores for preference shares at the face value of Rs.10/- each.

During the year the Company has issued 83,14,328 equity shares of Rs.10/- under the preferential allotment to NARCL approved in the Board Meeting held on 11.09.2024. But shares were not credited to NARCL due to in-principle approval pending with NSE and BSE. The Company is taking effective steps to get the in-principle approval from stock Exchanges.

CORPORATE GOVERNANCE

Your Company has complied the Corporate Governance regulations as laid out in SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 with minor deviation. A report on Corporate Governance in line with SEBI prescribed format incorporated in the Listing Obligations and Requirement Regulations, is attached herewith. A certificate from the Practicing Company Secretary on compliance of conditions of Corporate Governance has been obtained and copy enclosed to this report.

DISCLOSURES / CONFIRMATION

In deference to Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, disclosures / confirmation are made as below:

ANNUAL RETURN

The Form MGT -7 for the year 2024-25 shall be filed with Registrar of Companies within the prescribed time after the date of 38th Annual General Meeting (AGM) of your Company. This also available in web address of the Company i.e., www.dharanisugars.com .

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors state that

- In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same.

- The directors have 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 or loss of the Company for the year under review.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The directors have prepared the annual accounts on a going concern basis.
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

LOANS, GUARANTEES OR INVESTMENTS.

Your Company has not given any loans or provided any guarantees or acquired securities as defined in Section 186 of the Companies Act, 2013.

CONTRACTS, ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1).

All transactions entered into by the Company with Related Parties were in the Ordinary Course of Business and at arm's Length pricing basis. The Audit Committee granted Omni bus approval for the transactions (which are repetitive in nature) and the same was reviewed by the Audit Committee and the Board of Directors. There were no materially significant transactions with Related Parties during the financial year 2024-25 which were in conflict with the interest of the Company or which requires the approval of shareholders. Suitable disclosures as required under IND AS-24 have been made in Note.47 of the Notes to the financial statements. Details of the transactions are provided in Form AOC-2 which is attached as Annexure-III to this Report.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of the report. All the Banks/Financial Institutions except SDF Loan and IREDA loan had assigned their loans to NARCL vide their letter dated 09.10.2023. IREDA loan was settled through OTS settlement on 06.08.2024.

FOREIGN EXCHANGE EARNINGS AND OUT-GO, CONSERVATION OF ENERGY & TECHNOLOGY ABOSORPTION

The details of measures taken for Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in the Annexure iv.

CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, a Corporate Social Responsibility (CSR) Committee has been formed. CSR policy has been framed and is available on the Website.

However, as the average of the net profits for the last 3 years is negative, no CSR expenditure has been earmarked on this account.

RISK MANAGEMENT POLICY

The Company has developed a risk management policy. Pursuant to Section 134 (3) (n) of the Companies Act, 2013 details of the Policy are disclosed in the Company's Website.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

PUBLIC DEPOSITS

During the financial year the Company has not accepted deposits as defined in Section 73 and 74 of Chapter V of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS

1. The Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by a financial creditor of the Company and appointed an Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company vide order dated July 29, 2021 received by the Company on July 31, 2021.

2. Further as per the e-voting results dated 22nd September 2022, CoC approved the appointment of Mr. Mahalingam Suresh Kumar, Insolvency Professional as Resolution Professional. The appointment was confirmed by Hon'ble NCLT, Chennai vide order IA/1248(CHE)/2022 in IA/976/2019 dated 18th November 2022.

3. The Hon'ble NCLT had passed a liquidation order dated 28th June 2023.

4. Meanwhile, the following lenders (Consortium Banks) viz., Indian Bank, State Bank of India, Central Bank of India, IDBI Limited, The South Indian Bank Ltd, The Federal Bank Ltd, ICICI Bank, Bank of India, Union Bank of India and Indian Overseas Bank had assigned there loan to National Asset Reconstruction Company Limited ("NARCL") vide Joint Assignment Agreement dated 30th September 2023.

5. Considering the settlement arrived between the Promoter and the majority lenders of the Company, the Hon'ble Supreme set aside the Liquidation Process vide its order dated 28117/2023 dated 7thAugust 2023. Further the Hon'ble Supreme Court vide its order 150612/2023 dated 18th March 2024, remanded back to The Hon'ble National Company Law Tribunal (NCLT), Chennai Bench for consideration of withdrawal of IBC process initiated against the Company in terms of Section 12A of IBC, 2016 read with Regulation 30A of the IBBI(CIRP) Regulations., 2016.

6. Based on the settlement proposal submitted by the Promoter U/s 12 A of IBC 2016, the CoC and NCLT has approved the proposal and ordered the withdrawal of the CIRP process and restored the powers of the Board vide its order No. IA (IBC)/825/ CHE/2024 in IBA/976/2019 dated 9th May 2024.

7. A Master Restructuring Agreement (MRA) was entered into between NARCL and India Debt Resolution Company Limited (IDRCL) – acting a Trustee on behalf of NARCL on 22nd May 2024.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by this Audit Committee. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board & to the Chairman of the Company. the Internal Audit Department monitors and evaluates the efficiency and adequacy of internal financial control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditor Company undertakes corrective action in their respective areas and thereby strengthens the financial controls. Significant audit observations, if any, and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board

PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section197 (12) of the Companies Act,2013, read with Rules 5(1),5(2) and 5(3), of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, the name and other particulars of employees are to be set out in the "Annexure –I' forming part of the Annual Report.

Other Disclosures

1. Details of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the central government. **NIL**

2. Changes in the nature of Business; if any. **No change in the nature of Business**

3. Details of Directors/ KMP appointed/resigned during the year; **No Resignation during the year.**

4. statement by the company with respect to the compliance of the provisions relating to the Maternity Benefit Act 1961; **Not Applicable.**

5. Disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's report in such manner as may be prescribed buy back of shares. **Not Applicable.**

6. The Board of Directors shall, inter alia, disclose in detail in the Board's Report for the financial year in which the issue of equity shares with differential rights was completed; **Not Applicable.**

7. The Board of Directors shall, inter alia, disclose in detail in the Directors' Report for the year in which the issue of sweat equity shares made; **Not Applicable.**

8. Details of Employees Stock Option Scheme. **Not Applicable**.

9. When there is voluntary revision of the financial statements and the Board report, the detailed reasons for revision of such financial statement or report. **Not Applicable**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- Re-appointment of Mr Arunachalam Sennimalai (DIN 00062791) Non-Executive Director who has crossed the age of 84 years, retires by rotation and being eligible offers himself for re-appointment.
- Appointment of Mr Mahalingam Venkatachalam (DIN 10954304) appointed as a Non- Executive & Independent Director of the Company, not liable to retire by rotation, subject to the approval of shareholders in the ensuing Annual General Meeting and to hold office for a First term of 5 (five) consecutive years, i.e., from 29.05.2025 to 28.05.2030.

- Appointment of Mr Sakthivel P (DIN 11240429) appointed as a Non- Executive & Independent Director of the Company, not liable to retire by rotation, subject to the approval of shareholders in the ensuing Annual General Meeting and to hold office for a First term of 5 (five) consecutive years, i.e., from 14.08.2025 to 13.08.2030.

STATUTORY AUDITOR & AUDIT REPORT.

Pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013, M/s Srivatsan, Chartered Accountants, Chennai (Registration No.014921S) was appointed as Statutory Auditors for a period of 5 years from the conclusion of the 36th Annual General Meeting until the conclusion of the 41st Annual General Meeting for the year ending 31st March 2028.

Statement on impact of Audit Qualifications (for Audit Report with modified opinion submitted) along with Audited Financial Results - (Standalone) as on 31.03.2025 is annexed.

The Report of the Secretarial Auditor for the financial years 2024-25 is annexed herewith as Annexure VI . The said Secretarial Audit Report contain the following observations.

RESTRUCTURING OF SUGAR DEVELOPMENT LOAN

Government of India Amended the SDF Rules for Restructuring SDF Loans for Potentially viable sick sugar undertakings vide their notification no.1-2/2022-SDF dated 28.02.2024. Based on this the Company has obtained Administrative Approval ("AA") dt 26th Sep 2024 from SDF, Govt of India for OTS settlement vide their letter for Rs. 55.53 crores (Principal Rs. 23.81 crores + Interest Rs. 31.72 crores). The Company is to make payment of OTS on or before till 25th March 2025.

One Time Settlement amount shall carry 6.75% rate of Interest from the date of administrative approval i.e., 26.09.2024 to till date of payment of the OTS amount in full.

Company requested the SDF vide letter dated 25th March 2025 for three months' time to settle the OTS whereas no reply was received.

Mean time Government of India has extended time for application for OTS scheme up to 29th June 2025, vide its letter dated 19th March 2025.Accordingly the Company has submitted the application on 6th June 2025.Further to our commitment Company has deposited Rs 5.00 crores on 15.07.2025 in fixed Deposits with Indian bank in the name of the Company with the lien marked in favour of IFCI Limited. The balance amount will be paid on receipt of OTS order.

STATUS ON THE RESTORATION OF TRADING OF THE COMPANY'S EQUITY SHARES IN BSE AND NSE TERMINAL.

Company's situation took an unexpected turn when it was admitted into the Corporate Insolvency Resolution Process (CIRP) w.e.f 29.07.2021 by the Hon'ble National Company Law Tribunal, Chennai Bench (Hon'ble NCLT) on the application filed by Bank of India. This led to the appointment of an Interim Resolution Professional /Resolution Professional to manage the Company's affairs. Subsequently, the Company was admitted into the liquidation process on 28.06.2023 by the Hon'ble NCLT, and the Liquidator was appointed to manage the Company's liquidation process. These developments were intimated to stock exchanges then and there. Under these circumstances, including suspending the board of directors' powers, made it impossible for us to comply with various provisions of the Companies Act, 2013, SEBI Regulations and other applicable laws.

As Per the IBC, 2016, and MCA Circular, the IRP/RP/Liquidator is responsible and shall file all compliances with ROC, Stock Exchanges, and other regulating authorities during the IBC process. As you well know, due to the persistent efforts of the promoter, the Hon'ble Supreme Court allowed the promoters to settle the dues with Creditors; the Company made debt restructuring with lead lender National Asset Reconstruction Company Limited (NARCL), which resulted in releasing the Company from the Liquidation proceedings vide Order of NCLT dated 09.05.2024.

The management would like to clarify that non-compliance with filing financial results and other complaints was not done maliciously. They occurred from 29.07.2021 to 09.05.2024 due to the CIRP/Liquidation process under the provisions of IBC, 2016. For such a period, IRP/RP/Liquidator should have complied with all requirements under LODR. After releasing the Company from the IBC process and reinstating the Board of Directors, the Company started to regularize all pending compliances. This swift action demonstrates our dedication to regularizing all pending compliances and maintaining transparency. The Company has not done anything maliciously.

The following SOP Fines were levied by the Stock Exchanges during this CIRP Period.

1. BSE – Rs.42,95,200.00
2. NSE – Rs. 43,31,780.00

The Company has paid SOP fines on 6th August 2025. We have also filed application for revocation of suspension of trading of our equity share on 18-03-2025.

The Company has made effective steps to restore the trading of shares to protect the interest of 20000 shareholders of the Company. We hope to restore the trading of shares shortly.

ACKNOWLEDGEMENTS

The Board of Directors places on record its appreciation of the support, assistance and co-operation received from the Central Government, Government of Tamil Nadu, various governmental agencies, Banks/Financial Institutions.

The Board of Directors also wishes to place on record its appreciation for the cane growers, without whose help and support it could not have achieved the progress that has been made so far. With our encouragement and their initiative, we hope for improved cane availability for the ensuing years.

Your Directors are thankful to the employees of the Company for their wholehearted co-operation and unstinted dedication to duty leading to cordial industrial relations during the year under review.

The Board is thankful and grateful for the continuing co-operation to the management from the shareholder's family since inception and is confident that this partnership will sustain forever.

By order of the Board
For Dharani Sugars and Chemicals Limited

Dr Palani G Periasamy
Executive Chairman
(DIN No.00081002)

Place: Chennai
Date: 14th August 2025

Annexure I to Boards Report

Disclosures pursuant to Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.Statement of particulars of remuneration as per Rules 5(1)

S.No	Description	Designation
1	The ratio of the remuneration of each director to the median of the employees of the company for the financial year	Managing Director -NA Executive Chairman -NA
2.	The percentage increase in remuneration of each director, Officer, Chief Executive Officer, Company Secretary of Manager, if any, in the financial year	Managing Director -NA Executive Chairman -NA Chief Financial Officer-NA. Company Secretary-NA
3.	The Percentage increase in the median remuneration of employees in the financial year	No increase in the salary from the year 2019
4.	The number of permanent employees on the rolls of company	488
5.	Average percentile increase already made in the salaries other than the managerial personnel in the last financial year. Its comparison with the percentile increase in the managerial remuneration. Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	As the Company was under CIRP Process. No salary increase was given since 2019 year.
6.	Affirmation that the remuneration is as per the remuneration policy to the company.	As per the remuneration policy of theCompany.

By order of the Board

For Dharani Sugars and Chemicals Limited

Dr Palani G Periasamy
Executive Chairman
(DIN No.00081002)

Place: Chennai
Date: 14th August 2025

Annexure II to Boards Report

MANAGERIAL REMUNERATION for the year 2024-25

<table>
<tr><th>S.No</th><th>Description</th><th>Designation</th></tr>
<tr><td>A</td><td>Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. (Applicable to listed Company)</td><td>As the Company was under CIRP Process. No salary increase was given from the year 2019.</td></tr>
<tr><td>B</td><td>Details of every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014</td><td>The information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel)
Rules, 2014 forms part of this report. However as per first proviso to Section 136(1) of the Act and second proviso of Rule 5(2) of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule5(2) (first part). Any member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company. There are no employees falling within the requirements of rule 5(2) (Second part) of the said rules.</td></tr>
<tr><td>C</td><td>Any director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report</td><td>Nil</td></tr>
<tr><td>D</td><td>The following disclosures shall be mentioned in the Board of Director's report under the heading “Corporate Governance”, if any, attached to the financial statements as per Schedule V, Part II , Section II of the Companies Act, 2013.</td><td rowspan="4"><table>
<tr><th>Particulars</th><th>Dr Palani G Periasamy – Executive Chairman</th><th>M Ramalingam – Managing Director</th></tr>
<tr><td>Salary</td><td>48.00</td><td>21.60</td></tr>
<tr><td>Perquisites</td><td></td><td></td></tr>
<tr><td>HRA</td><td></td><td>2.40</td></tr>
<tr><td>LTA</td><td>4.00</td><td>1.80</td></tr>
<tr><td>Medical</td><td>4.00</td><td>1.80</td></tr>
<tr><td>Total</td><td>56.00</td><td>27.60</td></tr>
<tr><td></td><td>Nil</td><td>Nil</td></tr>
<tr><td></td><td>5 Years
3 Months
Nil</td><td>5 Years
3 Months
Nil</td></tr>
<tr><td></td><td>Nil</td><td>Nil</td></tr>
</table></td></tr>
<tr><td></td><td>(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;</td></tr>
<tr><td></td><td>(ii) details of fixed component and performance linked incentives along with the performance criteria;</td></tr>
<tr><td></td><td>(iii) service contracts, notice period, severance fees;</td></tr>
<tr><td></td><td>(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable</td></tr>
</table>

During the year the Company was incurred loss and Chairman and Managing Director remuneration provided for the FY 2024-25. During the year the Company was in default of SDF Loan. Hence, remuneration will be paid after getting approval of the Secured lenders and shareholders in accordance with Schedule V Part II Section II of the Companies Act, 2013.

By order of the Board

For Dharani Sugars and Chemicals Limited

Dr Palani G Periasamy
Executive Chairman
(DIN No.00081002)

Place: Chennai
Date: 14th August 2025

Management Discussion and Analysis Report 2024-25

Cautionary Statement:

Statements made in this report describing industry outlook as well as Company's plans, projections and expectations may constitute 'forward looking statements'. Actual results may differ materially from those either expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

World Sugar Scenario:

Word Sugar production for 2024-25 season is expected to be 179.81 million tonnes. However, Global consumption is expected to remain strong, potentially leading to a deficit of 5.47 million tonnes. This will result in a reduced closing stock and may lead to pressure on the International price heading upward. The majority of 80% of sugar production is derived from Sugar Cane and remaining 20% from Sugar beets. Asia was largest Sugar producing region in the World. Brazil and India the two largest Sugar producing countries, followed by China, Thailand, United States and Russia. Global Sugar production is projected to increase by 8.60 million tonnes reaching about 189 million tonnes in the sugar year 2025-26.

Indian Sugar Scenario:

The Indian sugar industry is a major player in the global market, ranking as the world's largest consumer and second-largest producer. The industry is characterized by a mix of traditional practices and modern initiatives like ethanol blending. While facing challenges like fluctuating production and regional disparities, the industry plays a significant role in the Indian economy and rural livelihoods. Any increase or decrease in the Indian production has direct impact on the International Sugar price. During the season 2024-25, the Sugar production is expected to come down drastically to 261 lakh tonnes as against the previous season production of 320 lakh tonnes. The export is likely to be about 9 lakh tonnes. The closing stock is expected to be about 52 lakh tonnes enough to meet the Domestic consumption.

Government Policies:

The Government of India and the State Government continue to support the Sugar Industry. The Government of India had allowed substantial quantity of exports which has brought down the level of Sugar Inventory in the Country resulting in substantial saving in inventory carrying cost. However, the long awaited revision in the minimum selling price is yet to be announced. Hope the Government of India will announce this minimum price shortly which will help the Industry to sustain its performance which will help them to clear the cane price on time.

Financial Performance:

During the year under review the total income was Rs. 0.72 Crores as against the total income of Rs.0.18 Crores in the previous year. The company was not able start the cane crushing operation in all the three units as the company has not cleared the cane arrears relating to sugar season 2018-19. The gross operating loss works out to Rs. 20.89 Crores as against the loss of Rs.6.41 Crores in the previous year. During the year, the company has charged interest Rs 41.92 crores towards banks and financial institutions loans as against Rs 5.99 crores in the previous year. The cash loss works out to Rs62.81 Crores as against the cash loss of Rs.12.40 Crores in the previous year. The net loss after depreciation and exceptional items works out to Rs.95.82 Crores as against the profit of Rs.121.32 crores in the previous year.

Summary of the financial Performance for year ended is given below:

Rs. in Crores

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Total Revenue	0.72	0.18
Profit/(Loss) before Interest, Depreciation and Tax	(20.89)	(6.41)
Interest and Finance charges	41.92	5.99
Cash Profit/(Loss)	(62.81)	(12.40)
Depreciation	22.10	22.18
Profit/ (Loss) before Tax	(84.91)	(34.58)
Deferred Tax- Asset / (Liability) / Exceptional Items	(10.91)	155.90
Profit/(Loss) after Tax	(95.82)	121.32
Profit/(Loss) Brought forward from last year	(108.98)	(230.30)
Profit/(Loss) carried forward to Balance Sheet	(204.80)	(108.98)

Sugar, Alcohol and Power:

During this period under review, the Company was not able to start the cane crushing operations and Alcohol production as the company has not yet cleared the cane arrears relating to sugar season 2018-19.

Ethanol:

The Government of India has set a very high level of growth target in the ethanol blending program and the blending target has been fixed at a target of 20% to be achieved by 2025.The present blending level has increased to around 14% and this will be increased progressively to 20% during the next 2 years. This blending program has not only saved substantial Foreign Exchange in import of fuel, it has also helped the Sugar Industry to balance the Sugar and Ethanol Production and maximise the return.

Opportunities and Threats:

India is the largest consumer of sugar in the world. Still the average per capital consumption of sugar in India is less as compared to the developed countries. While the land availability is likely to shrink for cane cultivation, the cane production needs to be increased to meet the ever increasing demand for sugar, power and ethanol. The ethanol blending programme may also help the Sugar Industry.However, the agro climatic conditions and competition from other crops play a great role in the availability of cane.

Risks and Concerns:

Risks and Concerns given by the management below are not exhaustive and only highlight some of the salientamong them. The investors are advised to exercise their due diligence in assessing the various risk factorsassociated with industry and your Company. The sugarindustry is still highly regulated with the Governmentexercising control over pricing of sugar cane, allocation ofarea for sugar units, movement of molasses, Alcohol andpricing of Power. Some of the inherent business risks andthe mitigation measures initiated by your Company aregiven as under.

a) Raw Material Risk: Cane is the basic raw material for sugar industry and the efficient operation of theSugar Plant as well as Distillery depends upon theavailability of adequate cane and molasses. Sugar industry beingcyclical in nature is affected by the vagaries of the monsoon. Substantial increase in the price of alternate crops as compared to sugarcane and increase in the harvesting charges for the cane hasresulted in the farmers switching to other crops whichare more profitable. However, various steps including incentives are given by the Sugar Industry to retain/increase the Cane cultivation.

b) Product Risks: Sugar being the main product, its Minimum Selling Price (MSP) is fixed by Government of India. Increasing health consciousness among the general public, the average increase in the consumption of sugar is likely to be low in the coming years. Alcohol is highly regulated and the price of the same is directly/indirectly controlled by the StateGovernment through import fromneighbouring states. Further there is undue delay in the realisation of power dues.To mitigate the product related risks, the Companyhas been taking efforts to make its operation as integrated one comprising of Sugar, Power and alcohol including fuel Ethanol.

c) Forex Risk: Import and Export of Raw Sugar/Whitesugar and funding of project for manufacture of sugarinvolves foreign exchange component. Any wide fluctuation in the value of Rupeeagainst US Dollar may impact the profitability of the Company. The Company is closely monitoring the movement and taking appropriate action.

d) Financing Risk:The Sugar industry being capital intensive in nature requires huge capital investment, having high debt component. The Sugar Industry being seasonal in nature, the Company needs to holdsubstantial inventory over longer period incurring very high interest cost on working capital borrowing,besides other carrying costs. Further, the droughts during the years 2016 to 2018 had affected to availability of the cane and consequently, the performance of the Sugar Units in Tamilnadu were affected adversely.

e) Regulatory Risks:The Sugar Sector continuous to be controlledby Governments. Sugar cane prices and sugar selling price are fixed by Government of India. Alcohol and molasses are subject to inter-state movement control. The Company through its Industry Association has been representing to the Central and State Governments for new policy changes to support the Sugar Industry.

Outlook for 2025-26

Tamilnadu has received excess monsoon during the last 2 years and this has helped to improve the cane cultivation. However, your Company is yet to clear the Cane arrears and the Company hopes to clear the same and start the crushing operations from season 2025-26.

Considering the settlement arrived between the Promoter and the majority lenders of the Company, the Hon'ble Supreme set aside the Liquidation Process vide

its order dated 28117/2023 dated 7thAugust 2023. Further the Hon'ble Supreme Court vide its order 150612/2023 dated 18th March 2024, remanded back to The Hon'ble National Company Law Tribunal (NCLT), Chennai Bench for consideration of withdrawal of IBC process initiated against the Company in terms of Section 12A of IBC, 2016 read with Regulation 30A of the IBBI(CIRP) Regulations., 2016.

Based on the settlement proposal submitted by the Promoter U/s 12 A of IBC 2016, the CoC and NCLT has approved the proposal and ordered the withdrawal of the CIRP process and restored the powers of the Board vide its order No. IA (IBC)/825/ CHE/2024 in IBA/976/2019 dated 9thMay 2024.

Financial Performance:

Please refer disclosures in the Director's Report and the financial statements.

Human Resources:

The Industrial relations at your Company continue to be cordial. There are about 488 employees as on 31.03.2025 and are working on the overhaul of the machineries.

Annexure III to Boards Report

Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1 Details of contracts or arrangements or transactions not at arm's length basis		
a	Name(s) of the related party and nature of relationship	Nil
b	Nature of contracts/ arrangements/ transactions.	NA
c	Duration of the contracts / arrangements/transactions	NA
d	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
e	Justification for entering into such contracts or arrangements or transactions	NA
f	Date(s) of approval by the Board	NA
g	Amount paid as advances, if any	NA
h	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NA

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party	**PGP Educational & Welfare Society**	**Appu Hotels Ltd**
Nature of relationship	Associates	Associates
Nature of contracts/ arrangements / transactions	Leasing of Land for School	NA
Duration of the contracts / arrangements/ transactions	29 years (up to 31.10.2051)	NA
Salient terms of the contracts or arrangements or transactions including the value, if any	Rs.0.42 lakhs	NA
Date(s) of approval by the Board, if any:	16.05.2024	Nil
Amount paid as advances, if any	Nil	Nil

Nature of relationship party	**Dr. Palani G Periasamy**		**Mrs. Visalakshi Periasamy**	**M Ramalingam**	**A Sennimalai**
Nature of relationship	Executive Chairman		Director	Managing Director	Director
Nature of Contracts / arrangements / transactions	Rent	Salary	Sitting Fees	Salary	Sitting Fees
Duration of the contracts / arrangements/transactions	3 years w.e.f 16.05.2024	5 years w.e.f 25.06.2024	-	5 years w.e.f 01.04.2023	-
Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 4.53 lakhs per month	Rs.36.08 lakhs per annum	Rs.0.20 lakhs	Rs.24.00 lakhs per annum	Rs.0.75 lakhs
Date(s) of approval by the Board, if any:	16.05.2024	16.05.2024	NA	16.05.2024	NA
Amount paid as advances, if any	Nil	NA	Nil	Nil	Nil

By order of the Board
For Dharani Sugars and Chemicals Limited

Dr Palani G Periasamy
Executive Chairman
(DIN No.00081002)

Place: Chennai
Date: 14th August 2025

Annexure IV to Boards Report

Information as required under Section 134(3) (m) of the Companies Act, 2013 and with rule 8(3) of the Companies (Accounts) Rules 2014.

A.	Energy Conservation Measures	Nil
B.	Technology absorption and Innovation	Nil

Foreign Exchange / Earnings & Outgo	2024-25	2023-24
Foreign Exchange Earned	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

By order of the Board
For Dharani Sugars and Chemicals Limited
Dr Palani G Periasamy
Executive Chairman
(DIN No.00081002)

Place: Chennai
Date: 14th August 2025

Annexure V to Boards Report

Statement on impact of Audit Qualifications (for Audit Report with modified opinion submitted) along with Audited Financial Results - (Standalone)Statement on Impact of Audit Qualifications for the Financial year ended March 31, 2025

(See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulation, 2016)

Sl.No		Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
I	a	Turnover/ Total Income	71.52	71.52
	b	Total Expenditure	9653.54	9653.54
	c	Net Profit/ (Loss)	-9582.02	-9582.02
	d	Earnings Per share	-24.60	-24.60
	e	Total Assets	47110.60	47110.60
	f	Total Liabilities	47110.60	47110.60
	g	Net Worth	-16328.14	-16328.14
	h	Any other financial item(s) as felt appropriate by the Management)		
II		Audit Qualifications		
	a	Details of Audit Qualifications	1. We draw attention to Note 1 in the financial statements, which indicates that the Company has come out of the CIRP process during year of audit vide Honorable National Company Law Tribunal (NCLT) vide order dated 9th May 2024 and states that the Company has initiated necessary revival plan to recommence commercial operations by restoring production capabilities, ensuring the company's ability to meet its obligations and sustain its business activities in the foreseeable future. As stated in Note No.2 the Company has accumulated losses and it indicates that the Company has negative net worth as on the balance sheet date. Except for these events or conditions, along with other matters as set forth in other Notes to financial statements the standalone financials are prepared on going concern basis. Our opinion is not modified in this matter.	

	2. We draw attention to Note No.3 to the standalone financial statements, which explains the Company's the investment in Appu Hotels Limited ("investee Company"). The carrying amount of investment as at 31st March 2025 is INR 1455.39 Lakhs. In the opinion of the management the carrying amount of investments is reflective of fair value of investments and is recoverable; thus, no adjustment was made in the carrying value of investments in financial statements. In our opinion the carrying value of investments is not reflective of fair value of investments as per the "IND AS 113 - Fair Value Measurements". 3. We were not provided with balance confirmations as at 31st March 2025 for trade receivables, trade payables, advances received/ paid and for deposits received/ paid. Based on the above we are unable to report the impact on standalone financial statements due to non-receipt of confirmations. 4. We draw attention to Note No.5, where in the balance unsustainable debt of INR. 33,465 Lakhs has been disclosed as contingent liability (which is contingent upon remission of liability as per the fulfilment terms of repayment as provided MRA). 5 We draw attention to Note 4 of the financial statements, which discloses borrowings from directors & Intercorporate Loans from related parties. The Company has not provided for interest expense on these borrowings as per the agreed terms. In our view, the omission of such provision has resulted in an understatement of finance costs and current liabilities. The total outstanding from Directors and Related parties stands at INR 16586.91 Lakhs as on 31st March 2025.
b Type of Audit Qualifications: Qualified Opinion/ Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
c Frequency of Qualifications: Whether appeared first time/ repetitive / since how long continuing	Mentioned below on each item.
d for Audit Qualification(s) where the impact is quantified by the auditor, Management's views:	Impact not presently quantifiable due to the various uncertainties involved.
e for Audit Qualification(s) where the impact is not quantified by the auditor	
i. Management's estimation on the impact of audit qualification	**1. Going Concern basis:** Frequency of qualification. 2nd time, from the financial year 2023-24 Company has come out of the CIRP process during year of audit vide Honorable National Company Law Tribunal (NCLT) vide order dated 9th May 2024. Now, the Company is carrying out the maintenance works at all the Three units and it will be completed as per the schedule. Company is confident of starting the cane-crushing season by November 2025. Therefore, there is a significant possibility of the company to continue as going concern.
	Opinion - Not Modified. **2. Appu Hotels Limited – Value of Investment: -** **Frequency of qualification. 6th time, from financial year 2019-20.** Based on the settlement proposal submitted by the Promoter under section 12A of the IBC 2016, the NCLT Chennai had approved the withdrawal of the CIRP process effective from 20th Dec. 2023 and the powers of the Board have

	beenrestored. As per the settlement proposal the entire secured and un secured financial creditors have been fully settled. The company's performance has substantially improved and the company is planning to reduce the loan substantially by selling the non-core assets. Further, the Company's fixed asset values are vary as compared to the loans. As such, the management is confident of realizing the value of investment in the books as on 31st Mar 2025. **3. Confirmation of Balance:** Frequency of qualification. 6th time, from financial year 2019-20. As the company was in CIRP / Liquidation process till 8th May 2024 and there were no transactions during the year. Hence, the confirmation could not be received for the financial year 2024-25 Once the operation is started, we will get the Confirmation of balance for receivables and payables. Hence, there is no impact on the financial statements for the year 2024-25 **4. Unsustainable Debt Rs.334.65 Crs.** Frequency of qualification. 2nd time, from the financial year 2023-24 The unsustainable Debt of Rs.334.65 Crores will be given remission on completion of payment of the Loan as prescribed in the Master Restructuring Agreement dated 22.05.2024 with NARCL and it has been disclosed in the contingent liability from the year 2023-24 onwards. Company is confident of making the repayment as per the schedule. Hence, there is no additional liability. **5. Interest not provided on the borrowing from Director & Inter Corporate Loans.** **Frequency of qualification. 2nd time, from the financial year 2023-24** The Company has not provided for interest expense on these borrowings as specified in the terms of the Master Restructuring Agreement (MRA) with NARCL. Once we started our cane crushing operation, the Company will take efforts to get the approval from NARCL to account for the interest on the borrowing from the Directors and Inter Corporate Loans for the future years.
ii. Management's is unable to estimate the impact, reasons for the same:	Impact not presently quantifiable due to the variousuncertainties involved.
iii. Auditor's comments on (i) or (ii) above;	Refer" Basis for Qualified Opinion" in audit report read with relevant notes in the financial results the same is self-explanatory

By order of the Board
For Dharani Sugars and Chemicals Limited

Dr Palani G Periasamy
Executive Chairman
(DIN No.00081002)

Place: Chennai
Date: 14th August 2025

Annexure VI to Boards Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
DHARANI SUGARS AND CHEMICALS LIMITED
(CIN: L15421TN1987PLC014454)
PGP House, 57, Sterling RD, Nungambakkam,
Chennai – 600 034.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. DHARANI SUGARS AND CHEMICALS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion there on.

Based on our verification of **M/s. DHARANI SUGARS AND CHEMICALS LIMITED** 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** 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 herein after:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2025** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(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;

(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;

  (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;

  (d) 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

(vi) As per information and documents provided by the management of the company. We report that there is an adequate system and process to monitor and for ensuring compliance of following Labour & Industrial Laws specifically applicable to the Company, as amended from time to time;

  1) The Factories Act, 1948

  2) The Sugar Cess Act, 1982

3) The Sugarcane Control (Order), 1966
4) The Sugar (Packing and Marking) Order, 1970
5) Sugar Development Fund Act, 1982
6) Food safety and standards Act, 2006
7) The Boiler Act, 1923
8) The Legal Metrology Act, 2009
9) Environmental Protection Act, 1986
10) Essential Commodities Act, 1955, and orders issued thereunder
11) The Tamilnadu Molasses Control and Regulation Rules, 1958
12) The Tamilnadu Sugarcane (Regulation of Purchase Price) Act, 2018
13) Tamilnadu Tax on consumption or sale of Electricity Act, 2003
14) The Contract Labour (Regulation and Abolition) Act, 1970
15) The Employees Compensation Act, 1923
16) The Employees' Provident Funds & Miscellaneous Provisions Act, 1952
17) The Employees' State Insurance Act, 1948
18) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
19) The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
20) The Industrial Disputes Act, 1947
21) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
22) The Maternity Benefit Act, 1961
23) The Minimum Wages Act, 1948
24) The Payment of Bonus Act, 1965
25) The Payment of Gratuity Act, 1972
26) The Payment of Wages Act, 1936
27) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
28) The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
29) The Tamil Nadu Labour Welfare Fund Act, 1972
30) The Tamil Nadu Payment of Subsistence Allowance Act, 1981
31) The Tamil Nadu Shops and Establishments Act, 1947
32) The Tamil Nadu Tax on Professions, Trades & Callings and Employments Act, 1992
33) The Electricity Act, 2003 and the rules made thereunder, with respect to co-generation of power.

We have also examined compliance with the applicable Regulations and Standards of the following:

(i) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(ii) The Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following Observations:

a. The Company has filed the quarterly statement of investor complaints for the quarter ended 31.03.2024 as required u/r 13(3) of SEBI (LODR) to the Stock Exchanges with some delay.

b. The Company has submitted the shareholding pattern for the quarter ended 31.03.2024 as required u/r 31(1) of SEBI (LODR) to the Stock Exchanges with some delay.

c. The Company has submitted the report on Corporate Governance for the quarter ended 31.03.2024 as required u/r 27(2) of SEBI (LODR) to the Stock Exchanges with some delay.

d. The Company has submitted the reconciliation of share capital audit report for the quarter ended 31.03.2024 as required u/r 76 of the Depositories Act, 1996 to the Stock Exchanges with some delay.

e. The Company has submitted the Certificate for the financial year ended 31.03.2024 as required u/r 40(9) of SEBI (LODR) to the Stock Exchanges with some delay.

f. The Company has complied the regulation 33(3)(d) of SEBI (LODR) for the financial year ended 31.03.2024 with some delay.

g. The Company has disclosed to the Stock Exchanges about the outcome of meeting of board of directors dated 22.07.2024 in which the financial results were approved for the financial year ended 31.03.2024 as required u/r 30 r/w Schedule III Part B Clause 16 of SEBI (LODR) with delay.

h. The Company has complied with the provisions of regulation 30 r/w Part A of the Schedule III of SEBI LODR with minor deviation.

i. The Company has submitted Annual Secretarial Compliance Report for the financial year ended 31.03.2024 as required u/r 24A (2) of SEBI (LODR) to the Stock Exchanges with some delay.

j. The Board of Directors was not constituted with half of the independent directors as required u/r 17(1) (b) of SEBI (LODR) for some of the period under review.

k. The Audit Committee was not constituted with at least two-thirds of the independent directors for some of the period under review as required u/r 18(1) (b) of SEBI (LODR).

l. The Nomination and remuneration Committee was not constituted with at least two-thirds of the independent directors for some of the period under review as required u/r 19(1) (c) of SEBI (LODR).

We further report that the Board of Directors of the Company was constituted with Executive Director, Non-Executive Directors and Independent Directors and there were changes in the composition of the Board of Directors during the period under review.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, 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. As per the minutes of the meetings recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

We further report that the company was under the control of IRP/RP during the CIRP period from 29.07.2021 to 09.05.2024 pursuant to provisions of Insolvency and Bankruptcy Code, 2016.

Place: Chennai
Date: 27, May 2025

For **M DAMODARAN & ASSOCIATES LLP**

KALAIYARASI JANAKIRAMAN
Partner
Membership No.: 29861 COP. No.: 19385
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:A029861G000450919

Annexure – 1

To,

The Members,

DHARANI SUGARS AND CHEMICALS LIMITED,

(CIN: L15421TN1987PLC014454)
PGP House, 57, Sterling RD, Nungambakkam,
Chennai – 600 034.

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit conducted by us.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we 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. Our 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.

Place: Chennai
Date: 27, May 2025

For **M DAMODARAN & ASSOCIATES LLP**

KALAIYARASI JANAKIRAMAN
Partner
Membership No.: 29861 COP. No.: 19385
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:A029861G000450919

CORPORATE GOVERNANCE

Corporate Governance Philosophy: Company's philosophy is to achieve excellence in its entire activities serve the interest of the community and the shareholders, stakeholders and the society in general, thereby contributing to the welfare of the nation. The Company continues to be transparent in all its dealings and present a complete picture of the operations of the Company to the public at large and the shareholders and stakeholders in particular. The Company has always believed in fair business and corporate practices while dealing with the shareholders, employees, customers, farmers, creditors, lenders and others. The Company is prompt in discharging its statutory obligations and duties.

The Company has laid down a Code of Conduct for observance by Directors and senior management. Affirmation of Compliance to this code has been obtained from all of them and the Executive Chairman has furnished a declaration to this effect.

1. BOARD OF DIRECTORS.

A. Composition/Category of Directors: The Board of Directors comprises of 7 members out of whom 4 belong to the promoter group. The Board has a judicious mix of Executive and Non-Executive Directors. There are now 2 Executive Directors and 5 Non-Executive Directors. Out of the Non-Executive Directors, there are 3 Independent Directors and One Woman Director. Constitution of Board of Directors of the Company is in full compliance with Regulation 17 of the LODR Regulations 2015 and the Company has taken effective steps to comply with the applicable provisions of the Companies Act, 2013.

B & C Attendance at Meetings/ Directorships and Committee Memberships in other companies as on 31st March 2025

Name of the Director	No. of Board Meetings attended	No of Directorship held in other Companies		Member or Chairman of Committees				Last AGM Attended YES/ NO
		Pub.	Pvt.	Mgt.	Audit	NRC.	SRC.	
Dr Palani G Periasamy – Whole Time Director -Executive Chairman	6	2	1	Chm	-	-	-	**Yes**
Mr. A Sennimalai – Non-Executive Director	6	1	1	Mem	Mem	Mem	Mem	**Yes**
Mr. M Ramalingam– Managing Director	6	Nil	Nil	Mem	-	-	Mem	**Yes**
Dr K C Reddy (Relieved I on 11.09.2024) Non-Executive Nominee Director - IREDA	3	Nil	Nil	-	Mem	Chm	Chm	**No**
Mr P S Gopala Krishnan (Tenure Completed on 23.09.2024) Non-Executive (Independent Director)	2	3	Nil	Mem	-	Mem	-	**Yes**
Mrs Visalakshi Periasamy (Non-Executive Director)	4	2	1	-	-	-	-	**Yes**
Mr P Selvam (Non-Executive Independent Director)	6	-	Nil	-	Chm	-	-	**Yes**
Dr S Muthu (Tenure Completed on 23.09.2024) (Non-Executive Independent Director)	4	1	Nil	-	Mem	-	Mem	**Yes**
Mr R K Viswanathan (Tenure Completed on 23.09.2024) (Non-Executive Independent Director)	2	Nil	Nil	Nil	Mem	Mem	Nil	**No**
Dr V R S Sampath (Tenure Completed on 10.09.2024) (Non-Executive Independent Director)	2	Nil	Nil	Nil	Mem	Mem	Nil	**No**
Mr M Ganapathy (Appt w.e.f 12.08.2024) Non-Executive Independent Director	3	1	Nil	Nil	Mem	Chm	Chm	**-**
Dr E Thiyagarajan (Appt w.e.f 12.08.2024) Non-Executive Independent Director	3	Nil	Nil	Nil	Mem	Mem	Mem	**-**

MC - Management Committee, SRC– Stakeholders Relationship Committee, NRC – Nomination & Remuneration Committee, AC- Audit Committee.

Directorship in other Listed Companies as on 31.03.2025

S.No	Name of the Director	Name of the Company	Category
01	Dr. Palani G Periasamy	Dharani Finance Limited	Non- Executive Director, Chairman
02	Mrs. Visalakshi Periasamy	Dharani Finance Limited	Non- Executive Director

D. Number of Board Meetings held during the year 2024-25 and dates on which held:

Notice for Board meeting is issued normally 7 days in advance. During the year 6 (Six) Board Meetings were held respectively on 16.05.2024, 22.07.2024, 12.08.2024, 11.09.2024, 13.11.2024 and 12.02.2025 against the minimum requirement of four meetings and the interval was not more than 120 days.

E . Mrs. Visalakshi Periasamy is the spouse of Dr. Palani G. Periasamy.

F. Holdings of Equity Shares of the Non-Executive Directors as on 31st March 2025.

S.No	Name of the Director	No of Shares	%
1	Mrs Visalakshi Periasamy	1200101	3.61
2	Mr. A Sennimalai (Non-Executive)	21682	0.65
3	Dr K.C Reddy	500	0.00
4	Mr. R .K .Viswanathan	Nil	Nil
5	Mr. P.S. Gopala Krishnan	Nil	Nil
6	Dr. V. R S Sampath	Nil	Nil
7	Mr. P. Selvam	Nil	Nil
8	Dr. S. Muthu	Nil	Nil
9	Mr. M. Ganapathy	Nil	Nil
10	Dr. E Thiyagarajan	Nil	Nil

Below is the chart containing core skills/expertise/competencies identified by the Board of Directors as required under Clause "C" of Schedule V of the SEBI (LODR) Regulations 2015 along with the names of Directors who possess such skills/expertise/competence:

core skills/expertise /competencies	Dr Palani G Periasamy	Visalakshi Periasamy	M. Ramalingam	A. Sennimalai	P Selvam	M. Ganapathy	E . Thiyagarajan
Skills attributable to the Industry / Sector, in which the Company operates	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Financial Management Skills	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Administrative Skills	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Leadership Skills	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Technical / Professional skills in relation to Company's Business Operations	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Business Strategy & Sales & Marketing	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Corporate Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Communication Skills and public relations	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Decision making skills	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Details of remuneration to all the Directors paid during the Financial Year 2024-25.

S. No.	Name of the Directors	Sitting Fees	Salary	Commission / Bonus	Stock Option	Pension
1	Mr P S Gopala Krishnan (Till 23.09.2024)	0.25	Nil	Nil	Nil	Nil
2	Dr K C Reddy (Till 11.09.2024)	0.45	Nil	Nil	Nil	Nil
3	Dr S Muthu (Till 23.09.2024)	0.40	Nil	Nil	Nil	Nil
4	Mr R K Viswanathan (Till 23.09.2024)	0.30	Nil	Nil	Nil	Nil
5	Dr V R Sampath (Till 10.09.2024)	0.25	Nil	Nil	Nil	Nil
6	Mr A Sennimalai	0.75	Nil	Nil	Nil	Nil
7	Mr P Selvam	0.60	Nil	Nil	Nil	Nil
8	Mr M Ganapathy (From12.08.2024)	0.30	Nil	Nil	Nil	Nil
9	Dr E Thiyagarajan (From12.08.2024)	0.30	Nil	Nil	Nil	Nil
10	Mrs .Visalakshi Periasamy	0.20	Nil	Nil	Nil	Nil

No remuneration is paid to Non-Executive Directors, except sitting fees for attending the Board/ Committee meetings. Sitting fees are paid within the limits prescribed in the Companies Act, 2013. There is no other pecuniary relationship between Non-Executive Directors and the Company.

A. Fixed Component / Performance Linked Incentive / Criteria:

During the year no performance related Bonus is payable to the Executive Chairman.

B. Service Contract / Notice Period / Severance Fees:

- The Contract of Service entered into by the Company with Mr. M Ramalingam, the Managing Director, provides, a term of 5 years and also provides that the Company and the Managing Director shall be entitled to terminate the agreement by giving 90 days' notice in writing on either side.
- No severance fee is payable by the Company to the Managing Director on termination of the agreement/s.

C. Stock Option: The Company does not have any stock option scheme.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees as also the Independent Directors.

Criteria for evaluation of the performance of the Independent Directors:

The criteria for evaluation of the performance of Independent Directors include their qualification, experience, competency, knowledge, understanding of respective roles (as Independent Director and as a member of the Committees of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings,

H The Independent Directors, who are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields are very relevant as well as of considerable value for the Company's business. As a part of familiarization programme as required under Listing Regulations, the Directors have been appraised during the Board Meetings about the amendments to the various enactments viz., Companies Act, 2013 (the Act), Listing Regulations, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information etc., Since these being information about the enactment / updates in the laws/regulations, no separate material has been uploaded in the website.

During the year no Independent Director resigned before the expiry of the Tenure.

I. Qualified Independent Directors:

1. (i) Board of Directors identified and felt satisfied with the Company that the Directors are qualified and have experience in Administration/Marketing/Finance/Accounts /Technical core skills which are required to run the business of the Company.

2. (ii) Board of Directors confirmed that the Independent Directors fulfill the conditions specified in these regulations and are Independent of the Management.

Name of the Independent Director	Area of Specialization	Tenure of Appointment / Re-appointment
Mr P S Gopala Krishnan	Finance – Formerly – Chairman of IOB and IFCI	2nd term completed on 23.09.2024
Dr. S Muthu	Administration – Retd from Director of Education	2nd term completed on 23.09.2024
Mr V R Sampath	Legal & Law – Lawyer	2nd term completed on 10.09.2024
Mr R K Viswanathan	Management / Marketing – President of Coconut and Turmeric Merchant Association, Cultivator of Turmeric.	2nd term completed on 23.09.2024
Mr P Selvam	Administration – Retd IAS Officer	28.09.2020 to 27.09.2025
Mr M Ganapathy	Administration – Retd IFS Officer	12-08-2024 to 11.08.2029
Dr. .E Thiyagarajan	Medical Services	12-08-2024 to 11.08.2029

Appropriate familiarization programme for Independent Directors as required under the Listing Regulations are undertaken from time to time.

J. Performance evaluation criteria for independent directors.

Evaluation Criteria:

- Understanding of nature and role of independent directors' position.
- Understanding of risks associated with the business
- Application of knowledge for rendering advice to Management for resolution of business issues.
- Offer constructive challenge to Management strategies and proposals
- Active engagement with the Management and attentiveness to progress of decisions taken
- Non-partisan appraisal of issues
- Own recommendations given professionally without tending to majority or popular views
- Heading Board Sub Committees
- Driving any function or identified initiative based on domain knowledge and experience
- Commitment to role & fiduciary responsibilities as a board member
- Attendance and active participation and not done perfunctorily
- Proactive, strategic and lateral thinking.

Certificate of non-disqualification.

Certificate from Mr M. Damodharan, Practicing Company Secretary confirming 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 SEBI / MCA or any such statutory authority is provided in Appendix -2.

2. AUDIT COMMITTEE OF DIRECTORS:

A. Terms of Reference.

- The Audit Committee acts in accordance with the terms of reference given by the Board pursuant to Section 177 of the Act and Regulation 18 of the Listing Regulations. The terms of reference are briefly described below: -
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, appointment, re-appointment, replacement or removal (in the event of necessity) of Statutory Auditors, Cost Auditors including fixation of remuneration;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

- Review of the functioning of the whistle blower mechanism.
- The Chairman of the Audit Committee was present at the last Annual General Meeting.

B. Composition, name of members & Chairperson.

The Audit Committee comprises of 4 directors out of whom 3 are Independent Directors, and one Non-Executive Director. The Chairman is a Non- executive and Independent Director

C. Number of Audit Committee Meetings held during the year and attendance at meetings.

During the year Five Audit Committee meetings were held on 16.05.2024, 22.07.2024, 12.08.2024, 13.11.2024 and 12.02.2025.

S.No.	Name of Directors	Category	No. of Meetings held	No of Meetings attended
1	Mr P S Gopala Krishnan (Till 23.09.2024)	Member	5	2
2	Dr K C Reddy (Till 11.09.2024)	Member	5	3
3	Dr S Muthu (Till 23.09.2024)	Member	5	3
4	Mr R K Viswanathan (Till 23.09.2024)	Member	5	2
5	Dr V R Sampath(Till 10.09.2024)	Member	5	2
6	Mr A Sennimalai	Member	5	5
7	Mr P Selvam	Chairman/Independent Director	5	5
8	Mr M Ganapathy (From12.08.2024)	Member	5	2
9	Dr. E Thiyagarajan (From 12.08.2024)	Member	5	2

Mr. E P Sakthivel, Company Secretary is the Secretary to this Committee.

3. NOMINATION AND REMUNERATION COMMITTEE OF DIRETORS.

a) Terms of Reference

The terms of reference and Role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

- 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;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- 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.
- The policy is framed by the Nomination and Remuneration Committee and approved by the Board. The terms and conditions of appointment are disclosed in the website of the Company at www.dharanisugars.com

b) Composition, name of members & Chairperson.

The Nomination and Remuneration Committee presently consists of 4 Non-executive Directors, two being independent. The Chairman is a Non-executive and Independent Director.

c) Nomination and Remuneration Committee Meetings held during the year and attendance at meetings.

During the year Three Nomination and Remuneration Committee meetings were held on 16.05.2024,12.08.2024 and 13.11.2024.

The composition of the Nomination and Remuneration Committee as on 31st March 2025 and the attendance of the members at the meetings held during the Financial Year 2024-25 were as follows. Performance evaluations are carried out as per criteria posted on the web site.

S.No.	Name of Directors	Category	No. of Meetings held	No of Meetings attended
1	Mr P S Gopala Krishnan (Till 23.09.2024)	Member	3	1
2	Dr K C Reddy (Till 11.09.2024)	Member	3	2
3.	Mr R K Viswanathan (Till 23.09.2024)	Member	3	2
4	Mr A Sennimalai	Member	3	3
5	Dr V R Sampath(Till 10.09.2024)	Member	3	1
6	Mr M Ganapathy (From 12.08.2024)	Chairman / Independent Director	3	1
7	Mr P Selvam	Member	3	1
8	Dr E Thiyagarajan (From 12.08.2024)	Member	3	1

Mr. E P Sakthivel, Company Secretary is the Secretary to this Committee.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE OF DIRECTORS.

During the year ONE Stakeholders Relationship Committee Meeting was held, on 22.07.2024.

Stakeholders Relationship Committee consists of four Directors, out of which three are non-executive directors. The Chairman of the Committee is Dr K C Reddy, Nominee Director (Non-executive). Composition and attendance are given hereunder.

S.No.	Name of Directors	Category	No. of Meetings held	No of Meetings attended
1	Dr K C Reddy (Till 11.09.2024)	Member	1	1
2	Mr A Sennimalai	Member	1	1
3	Mr M Ganapathy (From 12.08.2024)	Chairman / Independent Director	1	-
4	Dr S Muthu (Till 23.09.2024)	Member	1	1
5	Dr E Thiyagarajan (From 12.08.2024)	Member	1	-
6	Mr M Ramalingam	Member	1	1

Mr. E P Sakthivel, Company Secretary is the Secretary to this Committee

All the investor grievances / correspondences have been promptly attended to within 7 days from the date of their receipt. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Mr E P Sakthivel, Company Secretary is the contact person.

The details of investors' complaints received and resolved during the Financial Year 2024-25 are as under

No. of investors' complaints received during 2024-25	No. of investors' complaints resolved	Investors' complaints pending at the end of 2024-25	Number not solved to the satisfaction of Share holders
1	1	Nil	Nil

Mr E P Sakthivel- Company Secretary & the Compliance Officer.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE OF DIRECTORS.

As per Section 135 of the Companies Act, a Corporate Social Responsibility (CSR) Committee has been formed. CSR policy has been framed and is available on the Website. Members of the Committee are:

S.No	Name of Directors	Category
1	Dr E Thiyagarajan (From 12.08.2024)	Chairman
2	Mr A Sennimalai	Member
3	Mr M Ramalingam	Member

However, as the average of the net profits for the last 3 years is negative, no CSR expenditure has been earmarked on this account.

6. POLICY ON DIRECTOR APPOINTMENT & REMUNERATION POLICY

The Nomination & Remuneration Committee constituted as per Section 178 of the Companies Act, 2013 has formulated the policy for appointment of Directors, Senior Management etc., and this has been approved by the Board and posted on the Company's Website. The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters are given below.

I. **For Executive Directors:** The remuneration of the Whole Time/Executive Directors shall comprise of fixed component and a performance linked pay, as may be fixed by the Nomination and Remuneration Committee (NRC) and subsequently approved by the Board of Directors and Members. Performance Linked Pay shall be payable based on the performance of the individual and the Company during the year. Remuneration trend in the industry and in the region, academic background, qualifications, experience and contribution of the individual are to be considered in fixing the remuneration. These Directors are not eligible to receive sitting fees for attending the meetings of the Board and Committees.

ii. **For Non-Executive Directors:** The Non-Executive Directors will be paid sitting fees for attending the Board and Committee Meetings as per the stipulations in the Act, and the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee. Different scales of sitting fee may be fixed for each category of the directors and type of meeting. However, the fees payable to the Independent Directors and Woman Directors shall not be lower than the fee payable to other categories of directors. In addition to this, the travel and other expenses incurred for attending the meetings are to be met by the Company. The Company shall have no other pecuniary relationship or transactions with any Non- Executive Director.

7. PROHIBITION OF INSIDER TRADING

The Company has adopted a Code of disclosures & a Code of Conduct for Prohibition of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

Board of Directors and the designated employees have confirmed the compliance with the Code.

8. VIGIL MECHANISM FOR DIRECTORS & EMPLOYEES

Pursuant to Section 177(9) and 177(10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Obligation and Disclosure Requirement Regulations 2015, the Board of Directors had approved a Policy on Vigil Mechanism/ Whistle Blower and the same is hosted on the website of the Company. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ Employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

9. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employee in the course of day to day business operations of the Company. The Code has been posted on the Company's website www.dharanisugars.com

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders and all the Board Members.

10. RELATED PARTY TRANSACTIONS

RPTs during FY 2024-25 are disclosed in Note 47 of the Financial Statements. All RPTs have the approval of Audit Committee. The company in terms of Regulation 23 of the SEBILODR submits within the stipulated time on the date of publication of its standalone financial results for the half year.

11. PREVENTION OF SEXUAL HARASSMENT

The Company has in place an Anti-Sexual harassment policy in line with the requirements of the Section 4 of the Sexual harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received about sexual harassment. All employees are covered under this policy. Details have been displayed prominently in the work place and also in the Company's Website. No complaints were received during the year.

12. MAINTENANCE OF COST ACCOUNTS AND RECORDS

During the year the Company has not commenced the production hence, the Company does not fall under the category of Section 148(1) of Companies Act, 2013 and hence such disclosure and maintenance of cost accounts/cost records is not applicable.

13. QUARTERLY COMPLIANCE REPORT.

The Company has submitted for each of the four quarters during FY 2024-25 the Compliance Report on Corporate Governance to Stock Exchanges within time limit from the close of each quarter.

14. DISCLOSURE OF MATERIAL EVENTS OR INFORMATION.

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 as per listing regulations to the Stock Exchanges.

15. AUDIT TRAIL

The Company's accounting software effective 01st April 2024 has the feature to record audit trail and comply with the requirements under the proviso to Rule 3(1) of the Companies (Accounts) Rules,2014.

16. SECRETARIAL AUDIT & AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amended Regulation 24A (1) (a) of the SEBI Listing Regulations, based on the recommendation of Audit Committee Board has approved appointment of M/s. M Damodaran & Associates LLP, (Firm Registration Number L2019TN006000) a peer reviewed firm of Company Secretaries in Practice as Secretarial Auditors of the Company for a period of five years, i.e., from April 1, 2025 to March 31, 2030, subject to the approval of the Shareholders of the Company at the ensuing AGM.

17. ANNUAL SECRETARIAL COMPLIANCE CERTIFICATE.

Regulation 24(A) of the Listing Regulations mandates all listed companies to file Annual Compliance Certificate issued by a practicing company secretary with Stock Exchanges within 60 days of the end of the financial year. The Company has obtained the certificate from M/s. M Damodaran & Associates LLP, (Firm Registration Number L2019TN006000) that was filed with the Stock Exchanges in time.

18. INTERNAL AUDITOR.

The company has appointed Internal Auditor M/s Srinivasan & Shankar Chartered Accountants, Chennai (Firm Regn No 005093S) to conduct internal audit of the functions and activities of the company for FY 2024-25. The Internal Auditor reports directly to the Audit Committee.

19. SUBSIDIARY COMPANIES.

The Company does not have any subsidiary/Associate/Joint venture Company.

20. DEPOSITS.

The company has not accepted deposits from the public.

21. SHAREHOLDERS' RIGHTS

Quarterly Financial Results of the Company are posted on the Company's website and the summary of the results are advertised in newspapers.

22. WEBSITE

The Company maintains a functional website https://www.dharanisugars.com. It contains basic information about the company and disseminates all the information spelt out in Regulation 46 of the Listing Regulations. Updates are uploaded within two working days of change in content in respect of matters specified in Regulation 46 (2).

General Body Meetings – Through Video Conference

a. Location and time where last three Annual General Meetings (AGMs) held

AGM for the year	Location	Date	Time	Number Special Resolution Passed
2023-24	Registered Office of the company	10.09.2024	03.00 PM	7
2022-23	Registered Office of the company	10.09.2024	11.00 AM	1
2021-22	Registered Office of the company	30.12.2022	11.00 AM	2

23. MEANS OF COMMUNICATION

Quarterly Financial Results / Official News Releases:

(a) The quarterly/half-yearly/annual financial results are published in English daily 'Financial Express' and in Tamil 'Makkal Kural'.

(b) The quarterly financial results of the company are announced within the stipulated period and are published in English and Tamil newspapers from Chennai City as required by the Listing Agreement with Stock Exchanges.

(c) The financial results are placed on the Company's website at www.dharanisugars.com

(d) Other than this, there have been no official news releases.

(e) No presentation was made to the institutional investors or to the analysts.

The Company has a dedicated help desk with e-mail ID: secretarial@dharanisugars-pgp.com in the Secretarial Department for providing necessary information to the investors.

The Company has attached a separate format to its shareholders to send an email confirmation to its designated ID secretarial@dharanisugars-pgp.com mentioning the name, DP/Customer ID or Folio No. and the Email ID of the Shareholder for communication. On this confirmation:

i. The Company would send all Notices, Annual Report and other communication to these shareholders through Email.

ii. Copies of same would be available under the 'investor section' of our websites www.dharanisugars.com

iii. Shareholders will at all times be entitled to receive free of cost, hard copy (paper version) of Annual Report and other communication on specific request.

iv. Shareholders always have the liberty to modify their instructions any time.

The Company earnestly appeals to all its shareholders to support the Green Initiative of the Government by opting for electronic mode of receiving our corporate communications, including Notices and Annual Reports.

24. GENERAL SHAREHOLDER INFORMATION

a. Time, Date and Venue of the Annual General Meeting	38th Annual General Meeting of the Company will be held on Thursday, the 25th September 2025 at 11.00 a.m. through' Video Conference / Other Audio-Visual Means (VC / OAVM) at No.59 Sterling Road, Nungambakkam, Chennai 600034
b. Financial Year	1st April 2024 – 31st March 2025
c. Date of Book Closure	19-09-2025 to 25-09-2025
d. Dividend if any	NIL
e. Stock Code	BSE – Scrip Code – 507442 and NSE – DHARSUGAR-EQ
f. Listing on Stock Exchanges	BSE and NSE, Mumbai
g. Listing fees payment details	Paid on 18.06.2024 for the year 2024-25
h. Registrar and Share Transfer Agent	M/s Cameo Corporate Services Limited “Subramanian Building, 5th Floor No 1 Club House Road, Chennai 600 002. Phone No 91-44-28460390/28460718 Fax No: 91-44-28460129, E-mail:cameo@cameoindia.com / Investor@cameoindia.com SEBI Registration No: INR000003753

25. SHARE TRANSFER SYSTEM

- The Company's shares being in compulsory demat list, are transferable only through the depository system. In order to expedite the process, the Board of Directors has delegated the authority to the Company Secretary to approve the share transfers and accordingly, the Company Secretary approves the transfer/transmission of shares generally on a weekly basis. The share transfer progress is placed in the meeting of the Board of Directors every quarter.
- Transfer/Transmission of shares can be affected by sending the required documents to the General Manager, Cameo Corporate Services Limited, Chennai at the above address.
- Market Price data: Trading was suspended due to Liquidation Order dated 28.06.2023, Hence, market price was not available.

26. SHAREHOLDINGS DETAILS AS ON 31ST MARCH 2025.

(i). Shareholding Pattern

S.No	Category	No of Shares	%
1	Promoter & Promoter Group	20436006	61.55
2	Mutual Funds and UTI	0	0.00
3	Banks, Financial Institutions, Insurance Companies (Central/ State Government Institutions/ Non-Government Institutions)	3150	0.01
4	Bodies Corporate/Clearing Members	86454	0.26
5	HUF/Trust/LLP	285837	0.86
6	Investor Education Protection Fund (IEPF)	505333	1.52
7	NRIs/OCBs	3620968	10.91
8	Indian Public	8262252	24.89
	Total	**33200000**	**100.00**

(ii). Distribution of Shareholding.

Shareholding of Nominalvalue of Rs.	Shareholders		Share Amount	
	Number	% to Total	In Rs	% to Total
10- 5000	17017	85.05	2028295	06.11
5001 – 10000	1459	7.29	11923670	3.59
10001 – 20000	739	3.70	11474300	3.46
20001 – 30000	268	1.34	6798190	2.05
30001 – 40000	115	0.57	4163530	1.23
40001 – 50000	113	0.56	5304390	1.60
50001 – 100000	149	0.75	10532260	3.17
100001 and above	148	0.74	261520710	8.77
Total	**20008**	**100.00**	**332000000**	**100.00**

There were no unclaimed shares out of shares issued pursuant to the earlier public or any other issues and consequently no Demat suspense account has been opened for keeping an account of such unclaimed shares.

(iii) Dematerialization of Shares and liquidity.

The Company's Equity Shares already stand dematerialized with ISIN No. INE988C01014. Trading of equity shares in the stock exchanges is done only in dematerialized form. Details as on 31st March 2025.

Sl. No.	Particulars	No of Holders	No of Shares	%
1	NSDL	6523	27484955	82.79.
2	CDSL	10682	4556618	13.72
3	Physical	2803	1158427	3.49
4	**Total**	**20008**	**33200000**	**100.00**

(iv) The status of allotment of 83,14,328 equity shares to NARCL

During the year the Company has issued 83,14,328 equity shares of Rs.10/- each under the preferential allotment to NARCL approved in the Board Meeting held on 11.09.2024. But shares were not credited NARCL due to in-principle approval pending with NSE and BSE. The Company is taking effective steps to get the in-principle approval from stock Exchanges.

27. OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

During the year the Company has issued 1708 Secured Non-Convertible Debentures to NARCL at the face value of Rs.1.00 lakh each towards the conversion of portion of Unstainable debts.

28. COMMODITY PRICE RISK / FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Company is exposed to foreign exchange risk on account of import and export transactions entered. Hedging policy is available.

The Company is proactively mitigating these risks by entering into commensurate hedging transactions with banks as per applicable guidelines and group risk management instructions

29. PLANT LOCATION

PLANT	CAPACITY	ADDRESS
Sugar Unit –I	2500 TCD	Dharani Nagar,Vasudevanallur – 627 760, TirunelveliDist , Tamil Nadu
Sugar Unit – II	4000 TCD	Karaipoondi Village,Polur – 606 803 ThiruvannamalaiDist, Tamil Nadu
Sugar Unit – III	3500 TCD	Kalayanallur Village,SankarapuramTaluk , Villupuram Dist. – 606 206
Distillery (in Unit I)	60 KLPD	Dharani Nagar,Vasudevanallur – 627 760 TirunelveliDist , Tamil Nadu
Distillery (in Unit III)	100 KLPD	Kalayanallur Village, SankarapuramTaluk , Villupuram Dist. – 606 206
Co- Generation of Power (In Unit II)	15 MW	KaraipoondiVillage,Polur - 606803 Thiruvannamalai Dist. Tamil Nadu
Co- Generation of Power (In Unit III)	22 MW	Kalayanallur Village, SankarapuramTaluk Vlilupuram Dist. – 606 206 , Tamil Nadu

****TCD – Ton crushed per day, KLPD – Kilo Liter Per Day.**

30. ADDRESS FOR CORRESPONDENCE

Dharani Sugars and Chemicals Limited "PGP House" No.59,
Sterling Road, Nungambakkam, Chennai – 600 034.
Telephone: 044 – 2820 7480, 2831 1313,
CIN – L15421TN1987PLC014454
Email: secretarial@dharanisugars-pgp.com, secretarial@pgpgroup.in
Website: www.dharanisugars.com

31. CREDIT RATINGS:

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposits programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad – Not applicable

32. OTHER DISCLOSURES.

a. Disclosures on materially significant related party transactions.

There was no materially significant related party transaction during the year having potential conflict with the interests of the Company.

Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the notes to accounts annexed to the financial statements.

Policy on determining Related Party Transactions can be viewed in the Company's website at www.dharanisugars.com

b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years

33. DETAILS OF SOP FINES – BOMBAY STOCK EXCHANGE (BSE)

S.No	Regulations	Quarter Ended	SOP Fines (With GST)	Reason
01	13(3)	June 2022	1180.00	SEBI/LODR Compliances during the period was delayed due to CIRP Process. Therefore, the SOP fines were levied by Stock Exchanges
02	24(A)	March 2022	7080.00	
03	31	June 2022	316240.00	
04	31	September 2022	141600.00	
05	33	March 2021	177000.00	
06	33	June 2021	88500.00	
07	33	March 2022	938100.00	
08	33	June 2022	1410100.00	
09	33	September 2022	879100.00	
10	33	December 2022	336300.00	
		Total	**4295200.00**	

Details of SOP Fines – National Stock Exchange of India Limited (NSE)

S.No	Regulations	Quarter Ended	SOP Fines (With GST)	Reason
01	33	March 2021	177000.00	SEBI/LODR Compliances during the period was delayed due to CIRP Process. Therefore, the SOP fines were levied by Stock Exchanges.
02	33	June 2021	88500.00	
03	24(a)	March 2022	7080.00	
04	33	March 2022	932200.00	
05	33	June 2022	1410100.00	
06	13	June 2022	1180.00	
07	31	June 2022	332760.00	
08	31	September 2022	167560.00	
09	33	September 2022	879100.00	
10	33	September 2022	336100.00	
		Total	**4331780.00**	

34. DURING 2024- 25 – THERE WAS NO FINE IMPOSED BY STOCK EXCHANGES/ SEBI AND OTHER STATUTORY AUTHORITIES.

Note: During the CIRP/Liquidation period Powers of the Board of Director suspended. Hence, IRP/RP has not file the returns in time. Company has requested the Stock Exchanges waive the penalties imposed during CIRP/Liquidation period.

Whistle Blower Policy and vigil mechanism affirmation that no personnel have been denied access to the Audit Committee.

The Company has adopted Whistle Blower Policy where it has a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct/Business Ethics. It is confirmed that no personnel has been denied access to the Chairman of the Audit Committee, for making complaint on any Integrity issue. This policy is hosted on the company's website.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the Listing Regulations and in particular specified in regulation 17 to 27 and sub regulation (2) of regulation 46 of LODR.

During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Regulations.

Particulars	Remarks
Web link where policy for determining 'material' subsidiaries is disclosed	www.dharanisugars.com
Web link where policy on dealing with related party transactions	www.dharanisugars.com
Disclosures of commodity price risk and commodity hedging activities	Not Applicable
Details of utilization of funds raised through preferential allotment or qualified institutions placement as Specified under Regulation 32(7A)	Not Applicable
The Company has received the certificate from a Company secretary in practice 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.	The Company has received Non-Dis-Qualification Certificate from Secretarial Auditor of the Company for the year.
During the year there is no instance where the board had not accepted any recommendation of any committee of the board which is mandatorily required	No Such Instance
The Company has in place an Anti-Sexual harassment policy in line with the requirements of the Section 4 of the Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received about sexual harassment. All employees are covered under this policy. Details have been displayed prominently in the work place and also in the Company's Website.	No such complaints were received during the year. There was no complaint as on the beginning of the year.

35. DISCRETIONARY REQUIREMENTS

- The quarterly financial results are published in the newspapers of wide circulation. Further the financial results are available on the website of the Company and of Stock Exchanges where the shares of the Company are listed i.e. BSE Ltd and National Stock Exchange of India Limited. Hence they are not sent to individual shareholders.
- The Auditors' Opinion on the Financial Statements is modified.

  Internal Auditor reports directly to the Chairman of the Audit Committee

36. OTHER DISCLOSURES.

a. Transfer of Unclaimed Dividend to IEPF.

   a. Pursuant to Section 124 & 125 of the Companies Act, 2013, dividend remaining unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government.

   b. Accordingly, as at 31st March 2025, the Company do not have any dividend remaining unpaid or unclaimed and in respect of earlier years' amount lying in the unpaid or unclaimed dividend was transferred to the Investor Education and Protection Fund of the Central Government.

   c. MCA by notification GSR 352 (E) dated 10.05.2012 has stipulated publication of details of unclaimed/ unpaid dividend in the Company website and MCA website. This will enable investors track unclaimed dividend/ shares by checking the status online and real time

By order of the Board
For Dharani Sugars and Chemicals Limited

Dr Palani G Periasamy
Executive Chairman
(DIN No.00081002)

Place: Chennai
Date: 14th August 2025

Annexure I to Corporate Governance Report

DECLARATION BY THE EXECUTIVE CHAIRMAN UNDER PARA D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Para D Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulations,2015, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with their respective Codes of Conduct as applicable to them, for the financial year ended March 31, 2025.

For and on behalf of Board

Dr Palani G Periasamy
Executive Chairman
(DIN No.00081002)

Place: Chennai
Date: 14th August 2025

Annexure II to Corporate Governance Report

Managing Director / CFO Certificate

To

The Board of Directors
Dharani Sugars and Chemicals Limited.
Chennai.

We certify that;

A. We have reviewed financial statements and the cash flow statement of Dharani Sugars and Chemicals Limited for the year ended 31st March 2025 and that to the best of our knowledge and belief:

   1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. To the best of our knowledge and belief, no transaction entered into by the Company during the year which is fraudulent, illegal or violate of the code of conduct of the Company.

C. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company over financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting;

D. We have indicated to the auditors and the Audit Committee that there are:

   a. no significant changes in internal control over financial reporting during the year;
   b. no significant changes in accounting policies during the year; and
   c. no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Place: Chennai-34
Date: 14th August 2025

M P Kaliannan
President (Corp.Finance)
& Chief Financial Officer

M Ramalingam
Managing Director

Annexure III to Corporate Governance Report

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Dharani Sugars and Chemicals Limited,
Chennai.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the compliance of the conditions of Corporate Governance by Dharani Sugars and Chemicals Limited, Chennai for the year ended on March 31, 2025, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2), and paragraphs C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of 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, we certify that the company has complied with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended March 31, 2025 with some deviations.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai
Date: May 27, 2025

For M DAMODARAN & ASSOCIATES LLP

M.DAMODARAN
Managing Partner
FCS No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837G000450655

Annexure IV to Corporate Governance Report

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 DHARANI SUGARS AND CHEMICALS LIMITED
(CIN - L15421TN1987PLC014454)
PGP House 57, Sterling Rd, Nungambakkam,
Chennai, Tamil Nadu - 600 034.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of DHARANI SUGARS AND CHEMICALS LIMITED having CIN - L15421TN1987PLC014454 and having registered office at PGP House 57, Sterling Rd, Nungambakkam, Chennai, Tamil Nadu 600034 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No	Name of Director	DIN	Date of appointment in Company
1.	Mr. Arunachalam Sennimalai	00062791	04/06/1987
2.	Ms. Visalakshi Periasamy	00064517	12/11/2014
3.	Mr. Palani Gounder Periasamy	00081002	04/06/1987
4.	Mr. Ramalingam Muthusamy	00278025	25/06/1994
5.	Mr. Selvam Palani	01351493	12/11/2014
6.	Mr. Ganapathy Goundar Muthusamy	00234337	12/08/2024
7.	Mr. Thiyagarajan	03136982	12/08/2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M DAMODARAN & ASSOCIATES LLP

Place: Chennai
Date: May 27, 2025

M.DAMODARAN
Managing Partner
FCS No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837G000450578

INDEPENDENT AUDITOR'S REPORT

To The Members Of Dharani Sugars And Chemicals Limited

Qualified Opinion

We have audited the accompanying standalone financial statements of Dharani Sugars and Chemicals Limited ("the Company"),which comprise the Balance Sheet as of 31st March 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31st March 2025 and notes to financial statements, including summary of material accounting policies and other explanatory information ("hereinafter referred to as the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the Basis for Qualified Opinion in our report, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2025, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the following matters being described in this report,

1. We draw attention to Note 1 in the financial statements, which indicates that the Company has come out of the CIRP process during year of audit vide Honorable National Company Law Tribunal (NCLT) vide order dated 9th May 2024 and states that the Company has initiated necessary revival plan to recommence commercial operations by restoring production capabilities, ensuring the company's ability to meet its obligations and sustain its business activities in the foreseeable future. As stated in Note No.2 the Company has accumulated losses and it indicates that the Company has negative net worth as on the balance sheet date. Except for these events or conditions, along with other matters as set forth in other Notes to financial statements the standalone financials are prepared on going concern basis. Our opinion is not modified in this matter.
2. We draw attention to Note No.5 to the standalone financial statements which explains the Company's the investment in Appu Hotels Limited ("investee Company"). The carrying amount of investment as at 31st March 2025 is INR 1455.39 Lakhs. In the opinion of the management the carrying amount of investments is reflective of fair value of investments and is recoverable; thus, no adjustments were made in the carrying value of investments in financial statements. In our opinion the carrying value of investments is not reflective of fair value of investments as per the "IND AS 113 - Fair Value Measurements".
3. We were not provided with balance confirmations as at 31st March 2025 for trade receivables, trade payables, advances received/ paid and for deposits received/ paid. Based on the above we are unable to report the impact on standalone financial statements due to non-receipt of confirmations.
4. We draw attention to Note No.41, where in the balance unsustainable debt of INR. 33,465 Lakhs has been disclosed as contingent liability (which is contingent upon remission of liability as per the fulfillment terms of repayment as provided in a MRA).
5. We draw attention to Note 16 & 20 of the financial statements, which discloses borrowings from directors & Inter corporate Loans from related parties. The Company has not provided for interest expense on these borrowings as per the agreed terms. In our view, the omission of such a provision has resulted in an understatement of finance costs and current liabilities. The total outstanding loans from Directors and Related Parties stands at INR 16,586.91 Lakhs as on 31st March 2025.

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 Financial Statements section of our report. We are independent of the company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our opinion, based on the information and explanations given to us, there are no other key audit matters to be communicated in our report, other than those more fully described in the Basis for Qualified Opinion section of our report on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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 standalone financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors, management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standalone 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 Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions and outcome of revival plan may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is applicable for the company.

2. As required by section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b. In our opinion, proper books of account a required by law have been kept by the company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, except for the matters referred to in the basis for qualified opinion section of this report.

   e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section197 of the Act; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014as 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 41 – Commitments and Contingent Liability to the financial statements.

i. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

ii. There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company;

iii. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts;

a. No funds have been advanced or loaned or invested(either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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; and

b. No funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, 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 audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that there presentations under sub-clause (a) and (b) contain any material misstatement.

iv. The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.

v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining the Books of Accounts using accounting software which has a feature of recording Audit Trail (edit log) facility is applicable to the company with effect from 1st April 2023 and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules 2014 is applicable for the financial year ended 31st March 2025.However, the Company did not have this feature of recording of audit trail for all transactions recorded in the software and in its accounting software.

For Srivatsan & Associates
Chartered Accountants
Firm Registration No: 014921S

N.Srivatsan
Proprietor
Membership No. 230195
UDIN: 25230195BMIWEN4423

Place: Chennai
Date: 29th May 2025

"Annexure A" to the Independent Auditors' Report

(Referred to in Paragraph 1(f) under Report on Other Legal and Regulatory Requirements' section of our report to the members of Dharani Sugars and Chemicals Limited of even date)

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) In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has carried out physical verification of the property, plant and equipment and right-of-use assets during the year. Accordingly, we were not reported with any material discrepancies during the year.

(c) Based on our examination of the property tax receipts, sale deed/transfer deed/ conveyance deed provided to us, we report that, the title in respect of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

In respect of immovable properties given as collateral for loans from banks and financial institutions, the title deeds were deposited with the said banks/ financial institutions and the Company is in the process of obtaining a confirmation from the said banks that the title deeds are in the name of the Company.

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.Accordingly, clause 3 (i) (d) of the Order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) Based on our examination of the records of the Company, physical verification of inventory has been conducted by the company during the financial year but the company has not undertaken any commercial operations during the year.

(b) The borrowings availed from the consortium of the Banks in the earlier years has been assigned to National Asset Reconstruction Company Limited ("NARCL") via Joint Assignment Agreement dated 30th September 2023 and subsequently during the current year company has entered into a Master Restructuring Agreement ("MRA") with NARCL dated 22nd May 2024 specifying the restructured terms for the debt.

(iii) The Company has not made investments in, Companies and granted unsecured loans to other parties, during the year, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loan or stood guarantee or provided security to any other entity during the year. Hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) is not applicable.

The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013 for the business activities carried out by the Company but the same is not applicable for the year. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) In our opinion, the Company has not been regular in depositing undisputed statutory dues, including Goods and Services tax,Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, and other material statutory dues applicable to it with the appropriate authorities. Consequently, there are statutory outstanding dues for more than six months and those are listed in **Annexure 1.**

(b) Details of statutory dues which have not been deposited as on March 31, 2025, on account of disputes are given in **Annexure 2.**

(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 (43 of 1961).

(ix) a. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has defaulted in repayment of dues to banks and financial institutions and all the lenders have classified the loans as non-performing assets and also issued notices calling back the loans. Such Loans were assigned by consortium of Banks to the National Asset Reconstruction Company Limited (“NARCL”) and a Master Restructuring Agreement (MRA) has been entered into between the Company and India Debt Resolution Company Limited (acting on behalf of National Asset Reconstruction Company Limited as Trustee).

The company during the year as part of unsustainable debt portion to NARCL as per MRA, issued1,708 Secured Non-Convertible Debentures (NCDs) with issue price of INR 1,00,000 each, interest at the rate 12% per annum compounded annually redeemable on 21st May 2029 along with interest. The NCDs issued are for consideration other than cash.

b. In our opinion, and according to the information and explanations given to us, the Company has not defaulted on repayment due to banks and financial institutions during the year. However, the defaulted loans in the earlier years have been assigned to NARCL during the previous year vide assignment agreement dated 30th September 2023 and a Master Restructuring Agreement (MRA) has been entered into between the Company and India Debt Resolution Company Limited (IDRCL).The Company has not been declared as a willful defaulter.

c. In our opinion and according to the information and explanations given to us, no new term loans have been obtained during the year. Also refer the basis for qualification section of our report on the standalone financial statements.

d. In our opinion and according to the information and explanations given to us and subject to our comments in the basis for qualification section of our report on the standalone financial statements, funds raised on short term basis have not been utilised for long term purposes

e. On an overall examination of the financial statements of the Company, the Companyhas not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(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. During the year, the Company made a preferential allotment of 83,14,328 fully paid-up equity shares of ₹10 each, aggregating to ₹8,31,43,280, for consideration other than cash, pursuant to a Master Restructuring Agreement dated 22nd May 2024. The shares were issued to National Asset Reconstruction Company Limited (NARCL), with India Debt Resolution Company Limited (IDRCL) acting as its trustee, towards settlement of outstanding debt. The allotment was duly authorized by the Board of Directors and approved by shareholders under Section 62(1)(c) of the Companies Act, 2013.

However, as on 31st March 2025, the said shares had not been issued in dematerialised form and were pending for in-principle approval from the stock exchanges. Consequently, the share capital issued against the debt remains neither dematerialised nor listed as of the reporting date.

In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of Sections 42 and 62 of the Companies Act, 2013 in respect of the said allotment, except for the pending listing and dematerialization due to regulatory approval.

(xi) a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b. No report under sub-section (12) ofsection 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. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards subject to the qualification made in the Audit Report.

(xiv) a. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion, during the year the has not entered into any non-cash with its Directors or persons connected withdirectors 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.

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 incurred cash losses of INR 6281.94 lakhs during the financial year INR and the cash losses during the immediately preceding previous year is INR 1,239.91 lakhs.

(xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3 (xviii) of the Order is not applicable.

(xix) 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 and 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 indicating 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 fall due.

(xx) The provisions of section 135 of the Act are not applicable to the Company during the year and accordingly, clause 3 (xx) of the Order is not applicable.

(xxi) In our opinion and according to theinformation and explanations given to us, the Company does not have investments in subsidiaries/associates or joint venture companies. Accordingly, clause 3 (xxi) of the Order is not applicable.

For Srivatsan & Associates
Chartered Accountants
Firm Registration No: 014921S

N.Srivatsan
Proprietor

Place: Cheenai
Date:29th May 2025

Membership No. 230195
UDIN 25230195BMIWEN4423

Annexure 1

Name of the statute	Nature of Dues	INR in Lakhs	Period
Employees Provident Fund Scheme,1952	Provident Fund	517.47	November 2019 till March 2025
Employees State Insurance Act,1948	ESI dues	1.03	April 2021 till March 2025
IncomeTaxAct,1961	Tax deducted at source	72.17	April 2020 till March, 2025
Tamilnadu Tax on Consumption or Sale of Electricity Act, 2003	Power Generation Tax	496.76	November 2018 till March 2025
The Tamilnadu Profession Tax on Profession, Calling, Trade and Employment Act, 1992	Profession Tax	44.12	November 2018 till March 2025

Annexure 2

Statute	Nature of Dues	Amount (in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act,1944	CENVAT credit on Capital goods	53.66	Sep 2008 to Feb 2010	CESTAT–Chennai
Goods & Services Act,2017	Reversal of Input Tax credit	113.83	April 2017 to June 2017	ACIT – GST & Central Excise - Chennai
Civil Case	Delay in Cane Payment	0.19	Year 2005	High Court of Madras
Civil Case	Delay in Transport Payment & interest due	0.33	Year 2000	Civil Court - Aarani
Civil Case	Delay in Transport Payment	45.00	Feb 1995 to Sep 1996	High Court of Madras
Civil Case	Labour Wages Overdue	15.81	Year 2009	High Court of Madras
Tamilnadu Tax on Consumption or Sale of Electricity Act	Tariff change claims by TANGEDCO under dispute	818.19	Dec. 2017 to Jan. 2020	Hon'ble High Court of Madras
Tamilnadu Tax on Consumption or Sale of Electricity Act, 2003	TNEB Parallel charges	194.64	May 2014 to Jan. 2020	Hon'ble High Court of Madras

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Dharani Sugars and Chemicals Limited of even date)

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 "Dharani Sugars and Chemicals Limited ("the Company") as of March31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 deemed to be prescribed under section143 (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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding there liability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Acompany'sinternalfinancialcontroloverfinancialreportingincludesthosepoliciesandprocedures that,

(1) pertains 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 over ride of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Standalone Financial Statements 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 ICAI.

For Srivatsan & Associates
Chartered Accountants
Firm Registration No: 014921S

N.Srivatsan
Proprietor

Membership No. 230195
UDIN 25230195BM1WEN4423

Place: Cheenai
Date:29th May 2025

Balance Sheet as at March 31, 2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	44,800.59	47,005.36
Intangible assets	4	-	-
Financial assets			
Investments	5	1,471.21	1,463.12
Other financial assets	6	41.90	38.70
Non-Current tax assets (net)	7	17.36	18.10
Other non-current assets	8	53.63	52.93
Total non-current assets		**46,384.69**	**48,578.21**
Current assets			
Inventories	9	31.67	42.56
Financial assets			
Trade receivables	10	450.21	451.14
Cash and cash equivalents	11	20.62	42.27
Other financial assets	12	10.55	10.56
Other current assets	13	212.86	123.55
Total current assets		**725.91**	**670.08**
Total Assets		**47,110.60**	**49,248.29**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	4,151.43	3,320.00
Other equity	15	(20,479.57)	(10,897.54)
Total equity		**(16,328.14)**	**(7,577.54)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	36,148.21	35,038.48
Other financial liabilities	17	3,286.01	3.28
Deferred tax liabilities (net)	19	1,338.46	1,338.46
Provisions	18	828.99	564.02
Total non-current liabilities		**41,601.67**	**36,944.24**
Current liabilities			
Financial liabilities			
Borrowings	20	7,413.30	5,789.19
Trade payables	21		
Dues to Micro and Small Enterprises		62.47	26.87
Dues to enterprises other than Micro and Small Enterprises		5,146.45	8,725.79
Other financial liabilities	22	6,098.65	2,429.81
Other current liabilities	23	3,015.24	2,728.76
Short Term Provisions	24	100.96	181.19
Total current liabilities		**21,837.07**	**19,881.61**
Total liabilities		**63,438.74**	**56,825.85**
Total Equity and Liabilities		**47,110.60**	**49,248.29**

As per our report of even date attached

For SRIVATSAN & ASSOCIATES
Chartered Accountants
Firm Registration No.014921S

N.SRIVATSAN
Proprietor
Membership No.230195

UDIN: 25230195BMIWEN4423
Place: Chennai
Date : 29th May 2025

For and on behalf of the board
Dharani Sugars and Chemicals Limited

Dr. PALANI.G. PERIASAMY
Executive Chairman
DIN : 00081002

E P SAKTHIVEL
Company Secretary

M. RAMALINGAM
Managing Director
DIN : 00278025

M P KALIANNAN
Chief Financial Officer

Statement of profit and loss for the Year ended March 31, 2025
(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Particulars	Notes	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Income			
Revenue from operations	25	-	-
Other income	26	71.52	18.11
Total Income		**71.52**	**18.11**
Expenses			
Cost of materials consumed	27	-	-
Changes in inventories of finished goods & work-in-progress	28	-	-
Employee benefits expense	29	1,114.16	143.23
Depreciation and amortisation expense	30	2,209.89	2,217.75
Finance costs	31	4,192.15	599.34
Other expenses	32	1,047.15	515.45
Total Expenses		**8,563.35**	**3,475.77**
Profit / (Loss) before exceptional items and tax		**(8,491.83)**	**(3,457.66)**
Exceptional items		(807.70)	15,590.05
Profit / (Loss)Loss before tax from continuing operations		(9,299.53)	12,132.39
Income tax expense	33		
Current tax		-	-
Deferred tax asset/ (liability)		-	-
Profit / (Loss) for the period		**(9,299.53)**	**12,132.39**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(282.49)	-
Income tax relating to these items		-	-
Other comprehensive income for the period, net of tax		**(282.49)**	**-**
Total comprehensive Profit/(Loss) for the period		**(9,582.02)**	**12,132.39**
Earnings per equity share			
Basic earnings per share		(24.60)	36.54
Diluted earnings per share		(24.60)	36.54

As per our report of even date attached
The accompanying notes form an integral part of the financial statements

For SRIVATSAN & ASSOCIATES
Chartered Accountants
Firm Registration No.014921S

N.SRIVATSAN
Proprietor
Membership No.230195

UDIN: 25230195BMIWEN4423
Place: Chennai
Date : 29th May 2025

For and on behalf of the board
Dharani Sugars and Chemicals Limited

Dr. PALANI.G. PERIASAMY
Executive Chairman
DIN : 00081002

M. RAMALINGAM
Managing Director
DIN : 00278025

E P SAKTHIVEL
Company Secretary

M P KALIANNAN
Chief Financial Officer

Statement of cash flows for the Year ended March 31, 2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Cash Flow From Operating Activities		
Profit / (Loss) before income tax	(9,299.53)	12,132.39
Adjustments for		
Depreciation and amortisation expense	2,209.89	2,217.75
Unamortised finance income	(3.28)	(4.17)
Interest income	(7.24)	(13.94)
Finance costs	4,192.15	599.34
Changes in fair value of investments	(8.09)	1.85
	(2,916.10)	14,933.22
Change in operating assets and liabilities		
(Increase)/ decrease in other financial assets	(3.19)	300.63
(Increase)/ decrease in inventories	10.89	-
(Increase)/ decrease in trade receivables	0.93	-
(Increase)/ decrease in other assets	(90.01)	(42.89)
Increase/ (decrease) in provisions and other liabilities	7,143.57	(2,588.76)
Increase/ (decrease) in trade payables	(3,543.74)	26.61
Cash generated from operations	602.35	12,628.81
Less: Income taxes paid/ (refunds)	(0.74)	0.73
Net cash from operating activities (A)	**603.09**	**12,628.08**
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(5.10)	-
Interest received	7.24	13.94
Net cash used in investing activities (B)	**2.14**	**13.94**
Cash Flows From Financing Activities		
Proceeds from/ (repayment of) short term borrowings (net)	(792.24)	(40,122.90)
Proceeds from/ (repayment of) long term borrowings (net)	4,357.52	28,057.18
Interest paid	(4,192.16)	(599.34)
Net cash from/ (used in) financing activities (C)	**(626.88)**	**(12,665.06)**
Net increase/ (decrease) in cash and cash equivalents(A+B+C)	**(21.65)**	**(23.04)**
Cash and cash equivalents at the beginning of the financial year	42.27	65.31
Cash and cash equivalents at end of the year	**20.62**	**42.27**

Notes:

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".
2. Components of cash and cash equivalents

Balances with banks		
- in current accounts	19.57	40.09
Cash on hand	1.05	2.18
Total	**20.62**	**42.27**

As per our report of even date attached
The accompanying notes form an integral part of the financial statements

For SRIVATSAN & ASSOCIATES
Chartered Accountants
Firm Registration No.014921S

N.SRIVATSAN
Proprietor
Membership No.230195

UDIN: 25230195BMIWEN4423
Place: Chennai
Date : 29th May 2025

For and on behalf of the board
Dharani Sugars and Chemicals Limited

Dr. PALANI.G. PERIASAMY
Executive Chairman
DIN : 00081002

M. RAMALINGAM
Managing Director
DIN : 00278025

E P SAKTHIVEL
Company Secretary

M P KALIANNAN
Chief Financial Officer

Statement of cash flows for the Year ended March 31, 2025
(All amounts are in INR Lakhs, except share data and unless otherwise stated)

(A) Equity Share Capital

Balance at the end of April 1, 2023	**3,320.00**
Changes in equity share capital due to prior period errors	-
Changes in equity share capital during the year	-
Balance at the end of March 31, 2024	**3,320.00**
Changes in equity share capital due to prior period errors	-
Changes in equity share capital during the year	831.43
Balance at the end of March 31, 2025	**4,151.43**

	Capital Reserve	Securities premium	General Reserve	Other Comprehensive Income	Retained Earnings	Total
Balance as at April 1, 2023	**0.86**	**3,114.72**	**1,000.00**	**-**	**(27,145.52)**	**(23,029.94)**
Changes due to prior period errors	-	-	-	-	-	-
Additions/ (deductions) during the year	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	12,132.39	12,132.39
Balance as at March 31, 2024	**0.86**	**3,114.72**	**1,000.00**	**-**	**(15,013.13)**	**(10,897.55)**
Changes due to prior period errors	-	-	-	-	-	-
Additions/ (deductions) during the year	-	-	-	(282.49)	-	(282.49)
Total Comprehensive Income for the year	-	-	-	-	(9,299.53)	(9,299.53)
Balance as at March 31, 2025	**0.86**	**3,114.72**	**1,000.00**	**(282.49)**	**(24,312.66)**	**(20,479.57)**

The accompanying notes form an integral part of the financial statements

For SRIVATSAN & ASSOCIATES
Chartered Accountants
Firm Registration No.014921S

N.SRIVATSAN
Proprietor
Membership No.230195

UDIN: 25230195BMIWEN4423
Place: Chennai
Date : 29th May 2025

For and on behalf of the board
Dharani Sugars and Chemicals Limited

Dr. PALANI.G. PERIASAMY
Executive Chairman
DIN : 00081002

M. RAMALINGAM
Managing Director
DIN : 00278025

E P SAKTHIVEL
Company Secretary

M P KALIANNAN
Chief Financial Officer

Notes to Financial Statements for the Year ended March 31, 2025

1. Corporate Information

Dharani Sugars and Chemicals Limited, is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and has its registered office in Chennai. The Company is engaged in the business of manufacturing white sugar, generation of electricity and production of industrial alcohol.

The Company was admitted in Corporate Insolvency Resolution Process ("CIRP") process on 29th July 2021. As no viable resolution plan was arrived at, the Hon'ble National Company Law Tribunal ("NCLT") passed liquidation order on 27th June 2023.Subsequently,the outstanding debts held by the company as on date from all the banks put together ("consortium"), assigned their respective debts to National Asset Reconstruction Company Limited ("NARCL") for settlement, through a Joint assignment agreement dated 30th September 2023.On further appeal by the promoters of the Company the liquidation order as referred above was set aside by the Hon'ble Supreme Court of India and the Hon'ble Supreme Court remitted the matter to Hon'ble NCLT vide its order date 18th March 2024. Consequently on the 17th Committee of Creditors (CoC) meeting held on 22nd April 2024, CoC has approved the resolution plan being submitted. On its submission, the Hon'ble NCLT has approved the application filed under section 12A of the IBC, 2016 and thereby the CIRP initiated against the Company stands withdrawn vide order dated 9th May 2024.

Statement of compliance

The Financial Statements of the Company which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2025, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements") have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards)Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified, guidelines issued by the Securities and Exchange Board of India (SEBI) and other accounting principles generally accepted in India. The Financial Statements have been approved by the Board of Directors in its meeting held on 29th May, 2025.

2. Basis of preparation and presentation

The Financial Statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies given below which are consistently followed except where a new accounting standard or amendment to the existing accounting standards requires a change in the policy hitherto applied. Presentation requirements of Division II of Schedule III to the Companies Act, 2013,"as amended," as applicable to the Financial Statements have been followed. The Standalone Financial Statements are presented in Indian Rupees (''INR'') in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013.

The financial statements of the Company have been prepared on a going concern basis following the withdrawal from Corporate Insolvency Resolution Process (CIRP). As at 31st March 2025, the accumulated losses of the company, the company has accumulated losses of INR 20,479.57 lakhs (Previous Year: 31st March 2024 INR 10,897.55 lakhs) and it indicates that the Company has negative networth of INR 16,328.14 lakhs (Previous Year: 31st March 2024 INR 7577.55 lakhs). In view of the Company's future operation plans, the financial position of the Company will improve upon implementation of resolution plan approved by H'ble NCLT vide order dated 9th May 2024. The management has also expressed a firm intention to recommence commercial operations, by restoring the production capabilities, ensuring the company's ability to meet its obligations and sustain its business activities in the foreseeable future.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Notes to Financial Statements for the Year ended March 31, 2025

2A Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Property, Plant and Equipment and Intangible Assets

The residual values and estimated useful life of PPEs and Intangible Assets are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/ amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Assets (including MAT Credit Entitlement)

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (Property, plant and equipment/ Intangible Assets)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management's judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and Other long term benefits

The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Notes to Financial Statements for the Year ended March 31, 2025

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at the end of each reporting period.

2B 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. For the year ended 31st March, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

3. Significant Accounting Policies

a) Current versus non-current classification

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 realised or intended to be sold or consumed in normal operating cycle;

ii) Held primarily for the purpose of trading;

iii) Expected to be realised within twelve months after the reporting period; or

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

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; or

iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

b) Fair value measurement

The Company has applied the fair value measurement wherever necessitated at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability;

ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

Notes to Financial Statements for the Year ended March 31, 2025

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non - financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has designated the respective team leads to determine the policies and procedures for both recurring and non-recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

C. Revenue Recognition

Sale of goods

Revenue is recognised when the company satisfies a performance obligation by transferring a promised goods or service (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset, which generally coincides with the dispatch of the goods or as per the inco-terms agreed with the customers.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. It comprises of invoice value of goods including excise duty and after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Sale of Power

Sale of power is recognised at the point of generation of power from the plant and stock points. The monetary values of such power generated that are captively consumed are not recognised as revenue.

Export entitlements

Export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Notes to Financial Statements for the Year ended March 31, 2025

Interest Income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividend income is recognized when the company"s right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

d) Property, plant and equipment

Presentation

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

Component Cost

All material/ significant components have been identified for our plant and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment 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.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on straight line method, over the useful lives specified in Schedule II to the Companies Act, 2013 except for the following items, where useful life estimated on technical assessment and past trends differ from those provided in Schedule II of the Companies Act, 2013.

Notes to Financial Statements for the Year ended March 31, 2025

Assets Category	Estimated useful life (in years)
Buildings	30
Plant and Machinery	15
Furniture and fixtures	10
Vehicles	10
Office Equipment	5

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing Rs.5,000 each or less are fully depreciated retaining its residual value.

The residual values, estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f. Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. The cost of a separately acquired intangible asset comprises (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost of preparing the asset for its intended use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Useful life and amortisation of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

All intangible assets are amortized during earlier years. There is no balance as on 31st March, 2025 of Intangible Asset.

g. Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average method.

In respect of work in progress and finished goods, cost also includes conversion costs, appropriate share of production overheads.

Notes to Financial Statements for the Year ended March 31, 2025

h) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

Financial assets are classified into the following categories:

- Financial instruments (other than equity instruments) at amortised cost
- Financial Instruments (other than equity instruments) at fair value through other comprehensive income (FVTOCI)
- Other Financial Instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments (other than equity instruments) at amortised cost

The Company classifies a financial instruments (other than equity instruments) at amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial instruments (other than equity instruments) at FVTOCI

The Company classifies a financial instrument (other than equity instrument) at FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Notes to Financial Statements for the Year ended March 31, 2025

Financial instruments (other than equity instruments) at FVTPL

The Company classifies all other financial instruments, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in scope of Ind AS 109, "Financial Instruments" are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in other comprehensive income, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, Loans to employees and related parties, deposits, interest receivable and other advances recoverable in cash
FVTOCI	Equity investments in companies other than subsidiaries and associates as an option exercised at the time of initial recognition.
FVTPL	Other investments in equity instruments, forward exchange contracts. (to the extent not designated as hedging instrument)

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, "Financial Instruments" the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Notes to Financial Statements for the Year ended March 31, 2025

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Financial assets that are debt instruments and are measured at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, "Revenue from contracts with customers"

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116, "Lease"

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss, net of lien available on securities held against the receivables. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation for various financial instruments is described below:

- **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:**

  ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Notes to Financial Statements for the Year ended March 31, 2025

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost. Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109, "Financial Instruments". Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

Notes to Financial Statements for the Year ended March 31, 2025

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines 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. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

S.No	Original classification	Revised classification	Accounting treatment
1	Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
3	Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
4	FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) Foreign currency transactions and translations

Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Notes to Financial Statements for the Year ended March 31, 2025

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

j) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction and production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

k) Government grants

Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under “Other operating revenue” or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under “Other Financial Assets”. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such benefits are shown under “Other Financial Assets”.

Government grants related to assets, are adjusted in the carrying amount of the related assets.

l) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is recognised as an asset viz. MAT Credit Entitlement, to the extent there is convincing evidence that the Company will pay normal Income tax and it is highly probable that future economic benefits associated with it will flow to the Company during the specified period. The Company reviews the “MAT Credit Entitlement” at each Balance Sheet date and writes down the carrying amount of the same to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income tax during the specified period.

Notes to Financial Statements for the Year ended March 31, 2025

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised 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 credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

m) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and super annuation fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Notes to Financial Statements for the Year ended March 31, 2025

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

n) Leases

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

As a lessee

a) Initial measurement

Lease liability is initially recognised and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid. Right-of-use asset is recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of restoration costs and any initial direct costs incurred by the lessee.

(b) Subsequent measurement

The lease liability is measured in subsequent periods using the effective interest rate method. Right-of-use asset is depreciated in accordance with requirements in Ind AS 16, Property, Plant and equipment.

o) 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 cash-generating unit's (CGU) fair value less costs of disposal 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 groups of assets. When 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.

p) Provisions, contingent liabilities and contingent asset

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made if realisation of money is doubtful in the judgement of the management.

Notes to Financial Statements for the Year ended March 31, 2025

Contingent liability

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 outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

Contingent assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect. Contingent assets are disclosed but not recognised in the financial statements.

q) Cash and cash equivalents

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

r) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

s) Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

t) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

Notes to Financial Statements for the Year ended March 31, 2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Particulars	Tangible Assets							Intangible Assets	Total
	Land	Buildings	Plant and Machinery	Furniture and fixtures	Vehicles	Office Equipment	Total		
Cost as at April 1, 2023	13,192.71	24,608.44	50,042.79	105.01	288.02	94.20	88,331.17	5.13	88,336.30
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Cost as at March 31, 2024	**13,192.71**	**24,608.44**	**50,042.79**	**105.01**	**288.02**	**94.20**	**88,331.17**	**5.13**	**88,336.30**
Additions	-	-	-	-	-	5.10	5.10	-	5.10
Disposals									
Cost as at March 31, 2025	**13,192.71**	**24,608.44**	**50,042.79**	**105.01**	**288.02**	**99.30**	**88,336.27**	**5.13**	**88,341.40**
Depreciation/Amortisation									
As at April 1 2023	-	8,612.90	30,048.04	100.06	263.99	83.07	39,108.06	5.13	39,113.19
Charge for the year	-	649.24	1,562.09	0.03	5.55	0.83	2,217.75	-	2,217.75
Disposals	-	-	-	-	-	-	-	-	
As at March 31, 2024	**-**	**9,262.14**	**31,610.13**	**100.09**	**269.54**	**83.90**	**41,325.81**	**5.13**	**41,330.94**
Charge for the period	-	649.24	1,554.95	0.01	4.00	1.69	2,209.89	-	2,209.89
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**-**	**9,911.38**	**33,165.08**	**100.10**	**273.54**	**85.59**	**43,535.70**	**5.13**	**43,540.83**
Net Block									
As at March 31, 2024	13,192.71	15,346.30	18,432.66	4.92	18.48	10.30	47,005.36	-	47,005.36
As at March 31, 2025	13,192.71	14,697.06	16,877.71	4.91	14.48	13.71	44,800.58	-	44,800.58

Note:

The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company. In respect of immovable properties given as collateral for loans from banks and financial institutions, the title deeds were deposited with the said banks/ financial institutions and the Company is in the process of obtaining a confirmation from the said banks that the title deeds are in the name of the Company.

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) during the year, since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	As at March 31, 2025	As at March 31, 2024
5	**Non-current investments**		
	Investments Measured at Fair Value Through Profit & Loss (FVTPL)		
	Investments in Equity shares of other companies		
	Trade - Quoted		
	1,39,000 (31 March 2024: 1,39,000) equity shares of Rs.10/-each (31 March 2024: Rs.10/- each) in Dharani Finance Limited - fully paid up	15.82	7.73
	Trade - Unquoted		
	51,21,500 (31 March 2024: 51,21,500) equity shares of Rs.10/-each (31 March 2024: Rs.10/- each) in Appu Hotels Limited -- fully paid up	1,455.39	1,455.39
	Total	**1,471.21**	**1,463.12**
	Aggregate cost of quoted investments	13.90	13.90
	Aggregate market value of quoted investments	15.82	7.73
	Aggregate cost of unquoted investments	512.15	512.15
	Aggregate amount of impairment in value of investments	-	-

Note :

A corporate insolvency resolution process (“CIRP”) and the appointment of resolution professional were admitted in the case of Appu Hotels Private Limited (“investee”) by the Hon'ble National Company Law Tribunal (“NCLT”), Chennai Bench. The carrying amount of the investments as at March 31, 2025 is 1,455.39 INR Lakhs.

The Hon'ble National Company Law Tribunal (“NCLT”) has passed an order approving the resolution plan submitted by one of the resolution applicants. Aggrieved by this Order, the investee has filed an application before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") praying for quashing the order of the Hon'ble NCLT. The Hon'ble NCLAT has set aside the resolution plan approved and ordered to recommence the CIRP process, including the consideration of 12A application filed by the promoters of the investee. On an appeal against the order of the Hon'ble NCLAT, the Hon'ble Supreme Court has redirected the matter to the Hon'ble NCLT in dealing with settlement proposal as approved by the CoC in its nineteenth meeting dated 12th October 2022. The Hon'ble NCLT vide its order dated 20th December 2023 has allowed the 12A application submitted by the Promoters, thereby the CIRP which was initiated on the investee, stood withdrawn.

In the opinion of the company the entire carrying amount of investments is recoverable and consequently no adjustment has been made to the fair value of the investments of the investee.

Note	Particulars	As at March 31, 2025	As at March 31, 2024
6	**Other non current financial assets**		
	Unsecured, considered good		
	Rent and Other advances	41.90	38.70
	Loans and receivables - Credit impaired	508.33	508.33
		550.23	**547.03**
	Less : Allowance for expected credit loss	(508.33)	(508.33)
	Total	**41.90**	**38.70**
7	**Non-Current tax assets (net)**		
	Advance Income tax (net)	17.36	18.10
	Total	**17.36**	**18.10**

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	As at March 31, 2025	As at March 31, 2024
8	**Other Non-current assets**		
	Unsecured, considered good		
	Security deposits	57.13	52.93
	Unsecured, considered doubtful		
	Other advances and receivable	185.74	189.24
		242.87	242.17
	Less : Allowance for expected credit loss	(189.24)	(189.24)
	Total	**53.63**	**52.93**

Note :

The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment. The loans and advances given during the pre-CIRP period have been fully provided for.

Note	Particulars	As at March 31, 2025	As at March 31, 2024
9	**Inventories**		
	Stores, spares and consumable tools	31.67	42.56
	Work-in -progress	9.74	9.74
	Finished goods	10.00	10.00
		51.41	**62.30**
	Less : Allowance for slow moving and non moving inventories	(19.74)	(19.74)
	Total	**31.67**	**42.56**
	Inventory comprise of Work-in-progress		
	Sugar	9.74	9.74
	Molasses	-	-
	Total	**9.74**	**9.74**
	Finished goods		
	Sugar	1.31	1.31
	Molasses	-	-
	Bagasse	4.22	4.22
	Rectified Spirit & IS	0.40	0.40
	AA (Ethanol)	0.53	0.53
	ENA	3.54	3.54
	Total	**10.00**	**10.00**

Note :

Inventories are valued at the lower of cost and net realizable value, in accordance with Ind AS 2 – Inventories. Cost comprises all costs of purchase, conversion costs, and other costs incurred in bringing the inventories to their present location and condition.

The cost of raw materials, stores and spares is determined on the First-In First-Out (FIFO) basis. Work-in-progress and finished goods include an appropriate proportion of overheads based on normal operating capacity. Finished goods and work-in-progress are valued at cost or net realizable value, whichever is lower.

Scrap and by-products, if any, are valued at net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Provisions are made for obsolete and slow-moving inventories based on management's assessment.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	As at March 31, 2025	As at March 31, 2024
10	**Trade receivables**		
	Trade receivable - unsecured, considered good	450.21	451.14
	Trade receivable which have Significant risk increase in credit risk	2,949.74	2,949.74
	Trade receivable Credit impaired	-	-
		3,399.95	3,400.88
	Less : Allowance for expected credit loss	(2,949.74)	(2,949.74)
	Total	**450.21**	**451.14**
	Note : Trade receivables are neither due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. The credit impaired trade receivables of the pre-CIRP period have been fully provided for, except a portion of receivable from the state government undertakings, which is are expected to be realised by the Company. Refer Note No. 49 (i) for the ageing schedule of trade receivables.		
11	**Cash and cash equivalents**		
	Cash on hand	1.05	2.18
	Balances with banks - in current accounts	19.57	40.09
	Total	**20.62**	**42.27**
12	**Other current financial assets**		
	Unsecured, considered good		
	Advances other than Capital Advances		
	Security deposits	10.55	10.56
	Unsecured, considered doubtful		
	Security deposits which have significant risk increase in credit risk	82.01	82.01
		92.56	**92.57**
	Less : Allowance for expected credit loss	(82.01)	(82.01)
	Total	**10.55**	**10.56**
13	**Other current assets**		
	Unsecured, considered good		
	Advances to employees	0.91	1.17
	Prepaid expenses	16.85	38.55
	Balances with government authorities	145.46	84.21
	Others	2.64	-
	Advances to Suppliers		
	Unsecured Considered good	47.38	-
	Unsecured Considered doubtful	60.74	60.74
		273.98	184.67
	Less : Allowance for expected credit loss	(61.12)	(61.12)
	Total	**212.86**	**123.55**
	Note : The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment. The loans and advances given during the pre-CIRP period have been fully provided for.		

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	As at March 31, 2025	As at March 31, 2024
14	**Equity Share Capital**		
	Authorised Shares		
	5,00,00,000 (31 March 2024: 5,00,00,000) Equity shares of Rs. 10 each	5,000.00	5,000.0
	1,00,00,000 (31 March 2024: 1,00,00,000) Preference Shares of Rs.10 each	1,000.00	1,000.00
	Total	**6,000.00**	**6,000.00**
	Issued		
	4,15,14,328 (31 March 2024 : 3,32,00,000) Equity shares of Rs. 10 each	**4,151.43**	**3,320.00**
	Subscribed and fully paid up		
	4,15,14,328 (31 March 2024 : 3,32,00,000) Equity shares of Rs. 10 each	**4,151.43**	**3,320.00**

Notes:

(a) Reconciliation of number of equity shares subscribed

Balance as at the beginning of the year	**33,200,000**	**33,200,000**
Add: Shares issued during the year	**8,314,328**	-
Balance as at the end of the year	**41,514,328**	**33,200,000**

During the year, 83,14,328 equity shares of ₹10 each were issued for consideration other than cash pursuant to a debt resolution agreement with National Asset Reconstruction Company Limited (NARCL), as detailed in note (b). But as on 31st March 2025, the same has not been issued in dematerialised form as stipulated by the said agreement and also pending for inprinciple approval from stock exchanges. Consequently the share capital issued against debt is not dematerialised or listed as on 31st March 2025.

(b) Shares issued for consideration other than cash during the last five years:

(i)Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash

During the year, the Company issued 83,14,328 fully paid-up equity shares of ₹10 each, aggregating to ₹8,31,43,280, for consideration other than cash. These shares were issued pursuant to a Master Restructuring Agreement ("MRA") dated 22nd May 2024, was executed between the Company and India Debt Resolution Company Limited ("IDRCL") acting as trustee of National Asset Reconstruction Company Limited (NARCL), under which a portion of the unsustainable debt was converted into equity.

Key details of the issuance are as follows:

Number of shares issued: 83,14,328
Face value per share: ₹10
Date of allotment: 11th September 2024
Nature of consideration: Settlement of outstanding debt
Basis of allotment: Allotment made pursuant to a resolution passed by the Board of Directors and approved by shareholders under Section 62(1)(c) of the Companies Act, 2013
This allotment was made in compliance with applicable provisions of the Companies Act, 2013.
Subject to the in-princeple approval from stock exchanges.

(ii) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.

(iii) Aggregate number and class of shares bought back.

(c) The Company does not have any holding, Subsidiary or Associate Company.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

(d) Shares held by Promoters of the Company

Name of the promoter	At the beginning of the year		At the end of the year		% change during the year*
	Number of Shares	% of Total Shares	Number of Shares	% of Total Shares	
Dharani Developers (P) Ltd	6,584,242	19.83	6,584,242	15.86	3.97
Dharani Credit & Finance (P) Ltd	3,754,440	11.31	3,754,440	9.04	2.26
Dr.Palani.G.Periasamy	3,602,775	10.85	3,602,775	8.68	2.17
Mrs Visalakshi Periasamy	1,200,101	3.61	1,200,101	2.89	0.72
Ananthi Developers Limited	1,000,000	3.01	1,000,000	2.41	0.60
Mrs Jayanthi Periasamy	886,016	2.67	886,016	2.13	0.53
Mrs Ananthi Periasamy	885,293	2.67	885,293	2.13	0.53
Mrs Santhi Periasamy	885,142	2.67	885,142	2.13	0.53
Mrs Nalini Periasamy	882,492	2.66	882,492	2.13	0.53
Mr K. Kandasamy	479,968	1.45	479,968	1.16	0.29
Dharani Finance Limited	268,182	0.81	268,182	0.65	0.16
Mrs K. Vijayalakshmi	7,205	0.02	7,205	0.02	0.00
Mr R. Murugavel	150	0.00	150	0.00	0.00

*Reason for reduction in promoter's shareholding is only due to allotment of new shares to NARCL as stated in Note(b)

(e) The Details of Shareholders holding more than 5% Shares:

Name of the share holder	As at March 31, 2025		As at March 31, 2024	
	No of Shares Held	% of holding in that class of shares	No of Shares Held	% of holding in that class of shares
National Asset Reconstruction Company Limited ("NARCL")	8,314,328	20.03	-	0.00
Dharani Developers (P) Ltd	6,584,242	15.86	6,584,242	19.83
Dharani Credit & Finance (P) Ltd	3,754,440	9.04	3,754,440	11.31
Dr.Palani.G.Periasamy	3,602,775	8.68	3,602,775	10.85

(f) Rights, preferences and restrictions in respect of equity shares issued by the Company

The Company has only one class of equity shares having face value of Rs. 10 each. The holder of the equity share is entitled to dividend right and voting rights in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company.

(g) terms of any securities convertible into equity/preference shares issued along with the earliest date of \conversion in descending order starting from the farthest such date; - Nil

(h) calls unpaid (showing aggregate value of calls unpaid by directors and officers) - Nil

(i) forfeited shares (amount originally paid-up) - Nil

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	As at March 31, 2025	As at March 31, 2024
15	**Other Equity**		
	Capital reserve	0.86	0.86
	Securities premium reserve	3,114.72	3,114.72
	General reserve	1,000.00	1,000.00
	Other Comprehensive Income	(282.49)	-
	Retained earnings	(24,312.66)	(15,013.13)
	Total	**(20,479.57)**	**(10,897.55)**
	a) Capital reserve		
	Opening balance	0.86	0.86
	Movement in capital reserve (net) during the year	-	-
	Closing balance	**0.86**	**0.86**
	Capital reserve was created in the earlier years in respect of business acquired by the Company. The Company can use this reserve for issuing fully paid up Bonus shares.		
	b) Securities Premium Reserve		
	Opening balance	3,114.72	3,114.72
	Movement in securities premium (net) during the year	-	-
	Closing balance	**3,114.72**	**3,114.72**
	Securities premium is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of the act		
	c) General reserve		
	Opening balance	**1,000.00**	**1,000.00**
	Movement in general reserve (net) during the year	**-**	**-**
	Closing balance	**1,000.00**	**1,000.00**
	d) Other Comprehensive Income		
	Opening balance	-	-
	Movement in OCI (net) during the year	(282.49)	-
	Reclassified to retained earnings	-	-
	Closing balance	**(282.49)**	**-**
	Other comprehensive income represents the balance in equity for items to be accounted in Other Comprehensive Income (OCI). The Company transfers amounts from this reserve to retained earnings in case of actuarial gain.		
	e) Retained Earnings		
	Opening balance	(15,013.13)	(27,145.52)
	Profit / loss for the year	(9,299.53)	12,132.39
	Reclassified from Other Comprehensive Income	-	-
	Closing balance	**(24,312.66)**	**(15,013.13)**
	Retained earnings represent the amount of accumulated earnings of the Company, re-measurement differences on defined benefits plans, and any transfer from general reserve and other comprehensive income.		

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	As at March 31, 2025	As at March 31, 2024
16	**Borrowings**		
	Secured - At Amortised cost		
	From banks and financial institutions (refer note below)		
	Term Loans	17,051.00	27,057.18
	Secured Non Convertible Debentures	1,708.00	-
	Finance lease obligations	-	-
	Unsecured - At Amortised Cost		
	From Related parties		
	Inter Corporate Loans (ICL)	12,926.46	7,981.30
	Associates and Others	4,462.75	-
	Total	**36,148.21**	**35,038.48**
	The Loan from Associate and others has been accepted and accounted for as per the terms of the Agreement. However, the interest on the same has not been provided for in the Financial Statements. Based on the agreements, ICL (in the previous year) has been reclassifed as long term liability in the current year. Refer Note 43 for repayment terms/ security details.		
17	**Other financial liabilities**		
	Unamortised finance income	-	3.28
	Interest accrued but not due on borrowings	3,110.25	-
	Interest accrued but not due on secured non-convertible debentures	175.76	-
	Total	**3,286.01**	**3.28**
18	**Provisions**		
	Provision for employee benefits		
	Compensated absences	62.43	69.14
	Gratuity	766.56	494.88
	Total	**828.99**	**564.02**
19	**Deferred Tax Liability/ (Asset) - Net**		
	Deferred tax liability on property, plant and equipment	6,947.12	6,947.12
	Deferred tax asset on unabsorbed depreciation	(3,611.95)	(3,611.95)
	Deferred tax asset on expenses allowable for payment basis	(1,996.71)	(1,996.71)
	Total	**1,338.46**	**1,338.46**
	Note: As of 31st March 2025, the company has decided not torecognize deferred tax asset due to the improbability of future taxable profits against which the deductible temporary differences can be utilized. The existing deferred tax liability continues to be carried forward on the balance sheet.		
20	**Borrowings**		
	Secured at amortised cost		
	From banks and financial institutions		
	Term loans	5,745.60	3,329.25
	Working Capital Loans	-	-
	Unsecured at amortised cost		
	From Related parties		
	Intercorporate Loans	-	851.74
	Loan from directors	1,667.70	1,608.20
	Total	**7,413.30**	**5,789.19**
	Note: The Loan From Directors and Intercorporate Loans has been accepted and accounted for as per the terms of the Agreement. However, the interest on the same has not been provided for in the Financial Statements. Refer Note 43 for repayment terms/ security details w.r.t secured loans.		

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	As at March 31, 2025	As at March 31, 2024
21	**Trade payables ***		
	Dues to Micro and Small Enterprises **	62.47	26.87
	Dues to enterprises other than Micro and Small Enterprises	5,146.45	8,725.79
	Total	**5,208.92**	**8,752.66**
	* Refer note 47 for dues to related parties and note 49 (ii) for aging schedule of trade payables		
	Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	62.47	26.87
	Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
	Amount of interest accrued and remaining unpaid at the end of each accounting year	11.71	-
	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-
	** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. The entire closing balance represents the principal amount payable to these enterprises.		
22	**Other Financial liabilities**		
	Security and other deposits	19.27	19.28
	Interest accrued and due on borrowings	750.40	1376.55
	Capital creditors		
	Dues to Micro and Small Enterprises	-	-
	Dues to enterprises other than Micro and Small Enterprises	4.98	4.98
	Current Maturities of Long Term Debt	5,324.00	1,029.00
	Total	**6,098.65**	**2,429.81**
23	**Other current liabilities**		
	Statutory dues payable	1,193.49	1,062.88
	Advance from customers	21.24	21.24
	Other payables	1,800.51	1,644.64
	Total	**3,015.24**	**2,728.76**
24	**Provisions**		
	Provision for employee benefits		
	Compensated absences	11.60	39.95
	Gratuity	89.36	141.24
	Total	**100.96**	**181.19**

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
25	**Revenue from operations**		
	Sale of products		
	Sugar	-	-
	Industrial Alcohol	-	-
	Bagasse	-	-
	Molasses	-	-
	Bio Compost	-	-
	Fly Ash	-	-
		-	-
	Other operating revenues		
	MAEQ Sales	-	82.15
	Scrap sales	-	-
	Total	**-**	**82.15**
26	**Other income**		
	Interest income	10.52	13.79
	Other non-operating income	61.00	4.32
	Total	**71.52**	**18.11**
27	**Cost of materials consumed**		
	Inventory at the beginning of the year	-	-
	Add: Purchases - Sugarcane	-	-
	Less: Inventory at the end of the year	-	-
	Total	**-**	**-**
28	**Changes in inventories of finished goods, work-in-progress and stock-in-trade**		
	Inventories at the end of the year		
	Work-in-progress	9.74	9.74
	Finished/ Traded goods	10.00	10.00
	Total	**19.74**	**19.74**
	Inventories at the beginning of the year		
	Work-in-progress	9.74	9.74
	Finished/ Traded goods	10.00	10.00
	Total	**19.74**	**19.74**
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	**-**	**-**
29	**Employee benefits expense**		
	Salaries, wages and bonus	1,010.42	136.83
	Contribution to provident and other funds	74.36	2.79
	Staff welfare expenses	29.38	3.61
	Total	**1,114.16**	**143.23**
30	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment	2,209.89	2,217.75
	Total	**2,209.89**	**2,217.75**
31	**Finance Cost**		
	Term Loan interest	2,768.82	599.34
	Other interest and financial charges	1,423.33	-
	Total	**4,192.15**	**599.34**

Notes to Financial statement for the Year ended March 31,2025
(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Note	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
32	**Other expenses**		
	Cane develpoment expenses	-	-
	Stores and Spares Consumed	92.85	-
	Power and Fuel	331.82	299.67
	Rent	65.59	20.27
	Rates & Taxes	141.53	28.72
	Insurance	58.08	34.74
	Repairs and maintenance of		
	- Plant and Machinery	93.61	12.01
	- Building	56.07	57.05
	- Vehicle	30.55	2.66
	- Others	7.20	1.38
	Freight, Packing and Forwarding charges	-	0.39
	Director's Sitting Fees	3.80	1.15
	Executive Chairman & Managing Director Remuneration	60.80	6.90
	Auditors' Remuneration (Refer detail below)	6.40	8.00
	Travelling & Conveyance	4.80	0.92
	Office Expenses	7.71	3.82
	Postage, Telegram & Telephones	3.18	1.48
	Printing & Stationery	6.08	0.19
	Professional and Consultancy charges	24.94	2.34
	Bank charges	0.64	0.06
	CIRP Expenses	51.50	33.70
	Total	**1,047.15**	**515.45**
32(a)	**Payment to auditors**		
	Fees for Statutory Audit	5.00	5.55
	Fees for Limited review	1.40	2.45
	Out of pocket expenses	-	-
	Total	**6.40**	**8.00**
33	**Income tax expense** In view of the carried forward losses under the taxation laws, no provision for tax is created.		

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

34 Deferred Tax expense

a) Movement of deferred tax expense for the year ended March 31, 2025

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing Balance
Deferred tax (liabilities)/assets in relation to: On difference between tax base and book base of Property, plant, and equipment and Intangible assets	(6,947.12)	-	-	6,947.12
On expenses allowable on payment basis	1,996.71	-	-	(1,996.71)
On unabsorbed depreciation	3,611.95	-	-	(3,611.95)
Total	**(1,338.46)**	**-**	**-**	**1,338.46**

b) Movement of deferred tax expense for the year ended March 31, 2024

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing Balance
Deferred tax (liabilities)/assets in relation to: On difference between tax base and book base of Property, plant, and equipment and Intangible assets	(6,947.12)	-	-	6,947.12
On expenses allowable on payment basis	1,996.71	-	-	(1,996.71)
On unabsorbed depreciation	3,611.95	-	-	(3,611.95)
Total	**(1,338.46)**	**-**	**-**	**1,338.46**

*Since the company has unabsorbed depreciation, it has scaled down the recognition of deferred tax asset to that extent it matches with the aggregate deferred tax liability arising on account of Property, Plant and Equipment and expenses allowable on payment basis. However, no deferred tax asset has been created in respect of carry forward business losses in the absence of convincing evidence that future taxable income will be available.

35 Exceptional Items - Substantial Modification of Financial Liability

Under Ind AS 109, "Financial Instruments," a substantial modification in the terms of a financial liability is treated as an extinguishment of the original liability and recognition of a new one. The difference between the carrying amount of the extinguished liability and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss. Any costs or fees incurred during this process are included in the gain or loss on extinguishment if the modification is substantial, or they adjust the carrying amount of the liability if it is not substantial, and are amortized over the remaining term of the modified liability.Thereby, during the year, the assignment of Debt by the Consoritum of Banks via Joint Assignment agreement and the One Time Settlement Agreement entered into with SDF, ICICI & Bank of India has been considered respectively as an existinguishment of financial liability and the difference between the carrying value and liabilities assumed and the consideration paid has been recognised as an exceptional item in the statement of profit or loss amounting to INR 875.57 Lakhs. These amounts have been disclosed as exceptional items in the Statement of Profit and Loss in accordance with Ind AS 1 – Presentation of Financial Statements, considering their nature, size, and incidence outside the ordinary course of business.

Particulars	Nature	Amount (INR)
OTS to SDF	Loss	1,005.25
OTS to ICICI	Loss	1.39
OTS to Bank of India	Gain	(131.08)
Remission of Canecess Payable	Gain	(67.86)
Net Exceptional	**Loss**	**807.70**

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Remission of Canecess Payable: The Company had an outstanding liability of ₹67.86 lakhs towards the Tamil Nadu Sugarcane Cess under the Tamil Nadu Sugarcane Cess (Validation) Act, 1963. However, pursuant to Notification No. 1/2017 under the GST Act and subsequent clarification received from the South Indian Sugar Mills Association, the liability towards the said cess is no longer applicable.Accordingly, the Company has reversed the said liability during the current year. The reversal has been presented as an exceptional item in the Statement of Profit and Loss.

Note	Particulars	year ended March 31, 2025	year ended March 31, 2024
36	**Earnings per share**		
	Profit attributable to equity holders of the Company	(9,299.53)	12,132.39
	Weighted average number of ordinary shares outstanding	37,801,354	33,200,000
	Face value per share	10.00	10.00
	Basic earnings per share (Rs)	(24.60)	36.54
	Diluted earnings per share (Rs)	(24.60)	36.54
	(I) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash		
	(ii) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.		
	(iii) Aggregate number and class of shares bought back.		
	Weighted average number of ordinary shares outstanding:		
	At the beginning of the year	33,200,000	33,200,000
	Shares issued during the year	8,314,328	-
	Weighted average number of shares**	**37,801,354**	**33,200,000**
	**Shares issued to National Asset Reconstruction Company Limited (NARCL) on 11th September 2024 ,as per pursuant to a Master Restructuring Agreement (“MRA”) dated 22nd May 2024.		
37	**Earnings in foreign currency**	Nil	Nil
38	**Expenditure in foreign currency (actual payment basis)**	Nil	Nil
39	**CIF value of imports**	Nil	Nil

40 Value of Imported and Indigenous Raw material Consumed during the financial year and the percentage of each to the total consumption

Particulars	Year Ended March 31, 2025		Year Ended March 31, 2024	
	Rs. In Lakhs	(%)	Rs. In Lakhs	(%)
Raw Materials				
Imported	-	0.00	-	0.00
Others	-	0.00	-	0.00
	-	**0.00**	**-**	**0.00**

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

41 Commitments and Contingent Liability

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Contingent Liability		
Claims against the company for excise duty not acknowledged as debts*	53.66	140.27
Claims against the company for GST Input tax credit not acknowledged as debts*	113.83	81.19
Claims against the company for service tax not acknowledged as debts	0	-
Claims against the company for other disputes not acknowledged as debts	61.33	48.01
Tariff change claims by TANGEDCO under dispute	818.19	818.19
TNEB Parallel charges	194.64	194.64
Unsustainable Debt Portion	33465.00	33465.00
Commitments		
Capital commitments (net of advances) not provided for	-	-

Note : Contingent liabilities in respect of show cause notices are considered only when converted into demand. Applicable Interest is not included in the contingent liability portion w.r.t. GST demand.Note : Based on professional advice, the amount shown above represents to the best extent possible estimate made by the Company. The Company believes the outcome of these litigations would be favourable and hence no provision is considered necessary in the financial statements. The uncertainities and possible reimbursements are dependent on the outcome of various case proceedings which have been initiated by the Company or by the claimants, as the case may be, and therefore cannot be predicted accrurately.

42 Operating Segments

The Company's operations predominantly relate to manufacture of Sugar, Co-generation of Power and production of Industrial Alcohol. Other business segments reported are Distillery and Power. Sugar segment includes molasses and other by-products. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segment as also amounts allocated on a reasonable basis.

The expenses, which are not directly attributable to the business segment, are shown as unallocated corporate cost. Assets and Liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively.

Inter Segment Transfer Pricing Policy – (i) The molasses supplied to Distillery segment is based on average market price. (ii) Power used by other segments is based on 90% of the market price.

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Segment Revenue		
a) Sugar Manufacturing		
b) Distillery	-	-
c) Power	-	-
d) Unallocated	71.52	18.11
Revenue from operations (Net)	**71.52**	**18.11**
Less : Inter segment Revenue	-	-
Revenue from operations (Net)	**71.52**	**18.11**

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Segment Results		
Profit (+)/ Loss (-) before tax and finance cost		
a) Sugar Manufacturing	(3,791.24)	13,873.48
b) Distillery	(878.98)	(797.50)
c) Power	(508.68)	(362.36)
d) Unallocated	71.52	18.11
Total	**(5,107.38)**	**12,731.73**
Less: Finance Cost	4,192.15	599.34
Profit (+)/ Loss (-) from continuing operations	(9,299.53)	12,132.39
Profit (+)/ Loss (-) from discontinuing operations	-	-
Profit (+)/ Loss (-) before tax	**(9,299.53)**	**12,132.39**
Segment Assets		
a) Sugar Manufacturing	25,769.44	28,220.89
b) Distillery	11,494.95	11,773.41
c) Power	9,669.56	9,139.63
d) Other unallocable corporate assets	115.92	114.36
Total assets	**47,049.87**	**49,248.29**
Segment Liabilities		
a) Sugar Manufacturing	52,046.01	44,035.08
b) Distillery	4,872.80	4,819.20
c) Power	7,171.78	7,971.56
d) Other unallocable corporate liabilities	-	-
Total liabilities	**64,090.59**	**56,825.84**
Capital Employed (Segment assets-Segment liabilities)		
a) Sugar	(26,276.57)	(15,814.19)
Add: Long Term Loans	37,771.25	33,138.52
Net capital employed in Sugar Segment	**11,494.68**	**17,324.33**
b) Distillery	6,622.15	6,954.21
Add: Long Term Loans	2,000.00	3,160.66
Net capital employed in Distillery Segment	**8,622.15**	**10,114.87**
c) Power	2,497.78	1,168.07
Add: Long Term Loans	9,945.60	5,557.49
Net capital employed in Power Segment	**12,443.38**	**6,725.56**
Total capital employed in segments	**32,560.22**	**34,164.76**
Unallocable corporate assets less corporate liabilities	115.92	114.36
Total Capital Employed	**32,676.14**	**34,279.12**

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

43 Terms and conditions of long term borrowings *

The company was admitted into CIRP process dated 29th July 2021. The major secured and unsecured borrowings at the time of admission of CIRP were owed to the following:

1) Consortium of Banks – Indian Bank, State Bank of India, Central Bank of India, ICICI Bank, Bank of India, IDBI Banks Limited, Union Bank of India, The South Indian Bank Limited, Indian Overseas Bank, The Federal Bank.

2) Indian Renewable Energy Development Agency Limited ("IREDA")

3) Sugar Development Fund ("SDF")

The Company was out of CIRP Process vide the order passed by the Hon'ble National Company Law Tribunal ("NCLT") on 9th May 2024 and the outcome of the CIRP Process with respect to the Borrowings are provided hereunder.

Consortium of Banks:

A debt to the extent of INR 61,904 Lakhs was acknowledged at the time of admission of CIRP Process. During the CIRP Process, the Consortium of Banks have assigned their respective portion of Debt to National Asset Reconstruction Company Limited ("NARCL") vide an agreement dated 30th September 2023. As a result of such joint assignment agreement, the debts owed by the Company to the Consortium of Banks were assigned in favour of National Asset Reconstruction Company Limited and a Master Restructuring Agreement ("MRA") was executed between the Company and India Debt Resolution Company Limited ("IDRCL") acting as trustee of NARCL on 22nd May 2024. As a result of such agreement, the amount owed by the company has been bifurcated into Sustainable Debt of INR 23,500 Lakhs with detailed repayment schedule annexed as part of the MRA with an interest rate of 12% per annum compounded quarterly and an Unsustainable Debt of INR 38,404 Lakhs. As per the MRA, out of the Unsustainable Debt the company is required to allot Non-Convertible Debentures ("NCD") of INR 1,708 Lakhs which is to be repaid with a maturity of 5 years from the Issuance date at a coupon rate of 12% and further an allotment of Equity Shares for 20% paid up share capital of the company (approx. INR 831 Lakhs) on non-diluted basis.Equity shares under preferential allotment were alloted to NARCL on 11th of September 2024 for Rs 831.43 Lakhs (8314328 shares of Rs.10/- each), but awaiting inprinciple approval from stock exchanges for dematerialisation and listing.The allotment of NCD was made on 11th September 2024 to NARCL after getting necessary approval from shareholders in the general meeting .The company is also required to repay an amount of INR 2,400 Lakhs for the release of exclusive security of the office property owned by the promoters. Except for the above mentioned unsustainable debt, the balance unsustainable debt of INR 33,465 Lakhs has been disclosed as contingent liability (which is contingent upon fulfilment terms of repayment as per MRA).

IREDA:

A debt amounting to INR 10,598 Lakhs was acknowledged by the Resolution Professional ("RP") at the time of admission into the CIRP process. Subsequently, the Company entered into a One Time Settlement ("OTS") with IREDA, under which the debt was agreed to be settled at INR 4,200 Lakhs, payable within 90 days from the date of execution of the Modified Restructuring Agreement (MRA). The said amount has been fully paid off during the year in accordance with the agreed terms.

SDF:

Based on the application made by the Company for OTS settlement of the SDF loan, the Government has approved the OTS settlement vide its letter dated 26/09/2024. As per the approval, the entire amount of Rs.5553.55 lakhs has to be paid by 26.03.2025.

However, the Company has applied for extension of time for settlement. Meanwhile, the Government has extended the time for OTS application and the Company has been advised to make new application for OTS.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

44 Financial Instruments

Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings.

For the purposes of Company's capital management, capital includes consists of net debt (borrowings as detailed in Note 43 offset by cash and bank balances) and total equity of the Company. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company

Gearing Ratio	**As at March 31, 2025**	**As at March 31, 2024**
Debt	43,561.52	40,827.67
Less: Cash and bank balances	20.62	42.27
Net debt	43,540.90	40,785.40
Total equity	(16,328.14)	(7,577.55)
Gearing Ratio	(266.66%)	(538.24%)

Categories of Financial Instruments	**As at March 31, 2025**	**As at March 31, 2024**
Financial assets		
a. Measured at amortised cost		
Trade Receivables	450.21	451.14
Cash and cash equivalents	20.62	42.27
Other financial assets	10.55	10.56
b. Mandatorily measured at fair value through profit or loss		
Investments	1,471.21	1,463.12
Financial liabilities		
a. Measured at amortised cost		
Borrowings (non-current)	36,148.21	35,038.48
Borrowings (current)	7,413.30	5,789.19
Interest accrued and due on borrowings	750.40	1,376.55
Trade Payables	5,208.92	8,752.66
Other financial liabilities	3,286.01	3.28
b. Mandatorily measured at fair value through profit or loss	Nil	Nil

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through a centralized treasury division. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

Disclosure of hedged and unhedged foreign currency exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2025

Currency	Liabilities			Assets			Net overall
	Gross exposure (INR)	Exposure hedged using derivatives (INR)	Net liability exposure on the currency (INR)	Gross exposure (INR)	Exposure hedged using derivatives (INR)	Net liability exposure on the currency (INR)	exposure on the currency - net assets / (net liabilities) (INR)
For the year period March 31, 2025 - USD	-	-	-	-	-	-	-
For the year period March 31, 2024 - USD	-	-	-	-	-	-	-

Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The following table details the Company's sensitivity movement in the foreign currencies. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%. 2% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Company where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

Particulars	USD Impact	
	March 31, 2025	March 31, 2024
Profit or (loss)	-	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2025 would decrease/ increase by Rs.0 (March 31, 2024 : decrease/ increase by Rs.0). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Equity price risk

Equity price risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company’s investments in equity instruments exposes the Company to equity price risks. In general, these securities are not held for trading purposes.

Equity price sensitivity analysis.

The fair value of equity instruments as at March 31, 2025 and March 31, 2024 was Rs.1,471.21 lakhs and Rs.1,463.12 lakhs respectively. A 5% change in prices of equity instruments held as at March 31, 2025 and March 31, 2024, would result in an impact of Rs.73.24 lakhs and Rs.73.15 lakhs Cash on equity, respectively.

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, mutual fund investments and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. In respective dues from the Government, the Company has considered them as fully recoverable and no allowance for expected credit loss is required.

(b) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank Deposits

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

Investments of surplus funds are made only with approved financial institutions/ counterparty. Investments primarily include bank deposits, investment in units of quoted mutual funds issued by high investment grade funds etc. These bank deposits, mutual funds and counterparties have low credit risk. The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in bank deposits, debt securities and mutual fund schemes of debt and arbitrage categories and restricts the exposure in equity markets.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

March 31, 2025	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	5,208.92	-	-	5,208.92
Other financial liabilities(Non Current)	3,286.01	-	-	3,286.01
Borrowings (including interest accrued thereon up to the reporting date)	44,311.91	-	-	44,311.91
	52,806.84	**-**	**-**	**52,806.84**

March 31, 2024	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	8,752.66	-	-	8,752.66
Other financial liabilities(Non Current)	3.28	-	-	3.28
Borrowings (including interest accrued thereon up to the reporting date)	42,204.22	-	-	42,204.22
	50,960.16	**-**	**-**	**50,960.16**

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

	March 31, 2025	March 31, 2024
Investments in unquoted equity shares (classified as FVTPL)	1,455.39	1,455.39

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

45 Trade Receivables from TANGEDCO

Trade receivables includes Rs.2,800.78 Lakhs due from TANGEDCO is outstanding for more than 3 year. The Company is following up for recovery of the same and initiated the required steps. The Company has also initiated steps through South Indian Sugar Mills Association (SISMA) to represent to the Government of Tamilnadu for instructing TANGEDCO to pay the dues.

Since these are due from Government Undertakings and are arising from contractual obligation of those undertakings, in the opinion of the management, no further allowance for expected credit loss is considered necessary.

46 Operating lease

The Company has entered into operating lease arrangements for certain facilities with lease term ranging from 2 years to 3 years. The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties. Accordingly, these leases will not qualify for recognising right of use assets and related lease liability as per Ind AS 116. The amount recognised in the statement of profit and loss as expenses for the year is Rs. 49.82 Lakhs (Previous year Rs.20.27 Lakhs).

47 Related party disclosure

a) Name of related parties and nature of relationship

Companies/ entities in which key management personnel are interested	M/s Dharani Finance Limited M/s Appu Hotels Limited M/s PGP Education and Welfare Society M/s Dharani Developers Private Limited M/s Dharani Credit and Finance Private Limited M/s Ananthi Developers Limited
Key management personnel and relatives of key managerial personnel	Dr Palani G Periasamy Mr M Ramalingam Mr A Sennimalai Mrs Visalakshi Periasamy Mr M P Kaliyannan - Chief Financial Officer Mr E P Sakthivel - Company Secretary

b) Transactions during the year

S. No.	Nature of transactions	Companies/ entities in which key management personnel are interested		Key management personnel and their relatives	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
1	Sales of goods	-	-	-	-
2	Sitting fees	-	-	3.80	1.15
3	Rent	-	-	43.83	20.27
4	Remuneration	-	-	90.49	13.96
5	Contribution to provident and other funds	-	-	1.25	0.78
6	Loans received from-DDPL	6,937.92	6,216.40	-	1,000.00
7	Lease Rent Income	0.52	0.35	-	-

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

c) Balances at the end of the year

S. No.	Particulars	Companies/ entities in which key management personnel are interested		Key management personnel and their relatives	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
1	**Trade Receivables**	-	-	-	-
2	**Trade Payables**				
	Appu Hotels Limited	0.03	0.03	-	
	Ananthi Developers Limited	4.68	4.68	-	-
3	**Unsecured Loans received-**				
	Dharani Developres Private Limited	14.924.38	7981.30	1637.53	1608.20

Material Related Party Transactions

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Sales of goods		
Appu Hotels Limited	-	-
Rent Provided		
Dr. Palani G Periasamy	43.83	18.00
Unsecured Loans received		
Dr. Palani G Periasamy	34.50	1,000.00
Mr.A.Sennimalai	25.00	-
Dharani Developers Private Limited	-	-
Remuneration to Key management personnel (KMP)		
Dr Palani G Periasamy	36.80	-
M Ramalingam	24.00	6.90
M P Kaliyannan	23.32	5.48
E P Sakthivel	6.37	1.58
Contribution to provident and other funds for KMP		
M P Kaliyannan	0.83	0.61
E P Sakthivel	0.42	0.17
Lease Rent Income		
PGP Educational and Welfare Society	0.52	0.35

Material Related Party Balances

Particulars	As at	
	March 31, 2025	March 31, 2024
Trade Payables		
Dr. Palani G Periasamy	416.81	344.23
M Ramalingam	113.19	106.51
Ananthi Developers Limited	4.68	4.68
Appu Hotels Limited	0.03	0.03
Unsecured Loans Received		
Dharani Developers Pvt Ltd	14,924.38	7,981.30
Dr. Palani G. Periasamy	1,637.53	1,608.20

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

48 Retirement benefit plans

Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund and pension fund of Government of India. The Company also has superannuation plan and contributions are funded with LIC.

The total expense recognised in profit or loss of Rs. 74.36 lakhs (for the year ended March 31, 2024: Rs. 2.79 lakhs) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

Defined benefit plans

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. This liability has been provided for based on the actual valuation.

(b) Compensated absence

The leave scheme is a final salary defined benefit plan, that provides for a lumpsum payment at the time of separation based on scheme rules the benefits are calculated on the basis of last drawn salary and the leave count at the time of separation and paid as lumpsum. This liability has been provided for based on the actual valuation.

(c) Risks associated with defined benefit plans

The defined benefit plans typically expose the Company to actuarial risks such as investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(d) Further disclosures in respect of Gratuity

(I) The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2025	March 31, 2024
Discount Rate	6.73%	NA
Rate of increase in compensation level	5.00%	NA
Attrition Rate	5.00%	NA

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

(ii) Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:

Particulars	March 31, 2025	March 31, 2024
Current service cost	NA	NA
Net interest expense	NA	NA
Past service cost	NA	NA
Actuarial loss	(282.49)	NA
Components of defined benefit costs recognised in the statement of profit or loss	(282.49)	-

(iii) Amount recognised in Other Comprehensive Income (OCI) for the year

Particulars	March 31, 2025	March 31, 2024
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/ losses arising from changes in financial assumptions	(282.49)	
Actuarial (gains)/losses		NA
Actuarial (gains)/ losses arising from experience adjustments		
Actuarial (gains)/losses		
Return on plan assets (excluding amounts included in net interest expense)		
Components of defined benefit costs recognised in other comprehensive income		

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.The remeasurement of the net defined benefit liability is included in other comprehensive income.

(iv) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Particulars	March 31, 2025	March 31, 2024
Present value of defined benefit obligation	(855.92)	(494.88)
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**(855.92)**	**(494.88)**
Funded	-	-
Unfunded	(855.92)	(494.88)
	(855.92)	**-**
Presented under		
Non-Current provision	(766.56)	(494.88)
Current provision	(89.36)	(141.24)
	(855.92)	**(636.12)**

The above provisions are reflected under 'post retirement benefits' (long-term provisions) and 'post retirement benefits' (short-term provisions) [Refer notes 18 & 24]. Provision for the year ended 31st March 2025 has been accounted to the extent of INR 78.55 Lakhs as per Management estimates.For the year ended 31st March 2025, Actuarial valuation report has been received from Independent actuarial valuer and Defined benefit Obligation for as at the end of the year is estimated at INR 855.92 Lakhs. Accordingly, provision has been provided for the year under audit.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

(v) Movements in the present value of the defined benefit obligation in the current year were as follows:

Particulars	March 31, 2025	March 31, 2024
Opening defined benefit obligation	(494.87)	NA
Current service cost	(45.25)	(494.88)
Interest cost	(33.31)	NA
Past service cost		
Actuarial (gains)/ losses arising from changes in demographic assumptions		
Actuarial (gains)/losses		
Actuarial (gains)/ losses arising from changes in financial assumptions		
Actuarial (gains)/losses	(282.49)	NA
Actuarial (gains)/ losses arising from experience adjustments		
Actuarial (gains)/losses		
Benefits paid		
Closing defined benefit obligation	**(855.92)**	**(494.88)**

(vi) Movements in the fair value of the plan assets in the current year were as follows:

Particulars	March 31, 2025	March 31, 2024
Opening fair value of plan assets		
Interest Income		
Return on plan assets (excluding amounts included in net interest expense)	NA	NA
Contributions		
Benefits paid		
Others		
Closing fair value of plan assets	-	-

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

(vii) Sensitivity analysis

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

(viii) Reason for non-disclosure of current year information

Ind AS 19 “Employee Benefits” requires provision towards gratuity and compensated absences should be made based on actuarial valuation. However, the Company could not obtain actuarial report and the provision for the current year was made only on an estimated basis. Accordingly, disclosures required by Ind AS 19, in respect of defined benefit fund and long term employee benefits could not be made.

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

49 Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

(I) Ageing Schedule of Trade Receivables

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables							
(i) Considered good	-	-	-	-	-	450.21	450.21
(ii) Which have significant increase in credit risk and considered doubtful		-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	
Disputed Trade Receivables							
(i) Considered good	-	-	-	-	-	-	
(ii) Which have significant increase in credit risk and considered doubtful	-	-	-	-	-	-	
(iii) Credit impaired	-	-	-	-	-	-	
	-	**-**	**-**	**-**	**-**	**450.21**	**450.21**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables							
(i) Considered good				-	-	451.14	451.14
(ii) Which have significant increase in credit risk and considered doubtful	-	-	-	-	-	-	-
(iii) Credit impaired							
Disputed Trade Receivables							
(i) Considered good	-	-	-	-	-	-	
(ii) Which have significant increase in credit risk and considered doubtful	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-		-
	-	**-**	**-**	**-**	**-**	**451.14**	**451.14**

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

(ii) Ageing Schedule of Trade Payables

Particulars	Outstanding for following periods from due date of payment					
	Not due	Les than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2025						
(I). MSME	-	-			62.47	62.47
(ii) Others	-	91.24			4,980.02	5,071.26
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(v). Unbilled Due	-	-	-	-	-	-
	-	**91.24**	**-**	**-**	**5,042.49**	**5,133.73**
As at March 31, 2024						
(I). MSME	-	-	-		26.87	26.87
(ii) Others	-	69.51	-	290.94	8,365.34	8,725.79
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-		-
(v). Unbilled Dues	-	-	-	-	-	-
	-	**69.51**	**-**	**290.94**	**8,392.21**	**8,752.66**

(iii) Borrowings from banks

(a) The Company has not been sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. However, the since the account became NPA, the Company has not filed any quarterly returns or statements with such banks or financial institutions. All Bank Loans in the name of the company (except SDF, ICICI & ECB) has been assigned to NARCL under CIRP process vide NCLT order dated 9th May 2024. But the security charges against the assets is yet to filed with ROC for satisfaction of the same in the name of Banks.

(iv) Key Financial Ratios

Particulars	Unit of Measurement	March 31, 2025	March 31, 2024	Variation in %
Current Ratio	In multiple	0.05	0.05	0.00%
Debt-Equity Ratio	In multiple	(2.57)	(5.39)	(52.32%)
Debt Service Coverage Ratio	In multiple	(1.43)	(1.07)	33.64%
Return on Equity Ratio	In %	80.17%	-8.92%	169.09%
Inventory Turnover Ratio	In Days	NA	NA	NA
Trade receivables Turnover Ratio	In Days	NA	NA	NA
Trade payables Turnover Ratio	In Days	NA	NA	NA
Net Capital Turnover Ratio	In Days	NA	NA	NA
Net Profit Ratio	In %	NA	NA	NA
Return on Capital Employed	In %	(9.17%)	(5.57%)	(3.60%)
Return on Investment (Assets)	In %	(17.63%)	(6.85%)	(10.78%)

Formula adopted for above Ratios:

Current Ratio = Current Assets /(Total Current Liabilities – Security Deposits payable on Demand – Current maturities of Long Term Debt).

Debt-Equity Ratio = Total Debt / Total Equity.

Debt Service Coverage Ratio = (EBITDA – Current Tax) / (Principal Repayment + Gross Interest on term loans)
Return on Equity Ratio = Total Comprehensive Income / Average Total Equity

Notes to Financial statement for the Year ended March 31,2025

(All amounts are in INR Lakhs, except share data and unless otherwise stated)

Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)

Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)

Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net Revenue / Average Trade payables)

Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio – Trade payables turnover ratio)

Net Profit Ratio = Net Profit / Net Revenue

Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))

Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets

Reasons for Variation if more than 25%

Current Ratio

The current liabilities have increased significantly during the year, since the Company could not repay them due to cash crunch and very minimal operations. This resulted in the decrease of current ratio.

Inventory Turnover ratio

During the year, there was very minimal production and the sales were effected using the previous year stock as well. Further the Company has made provision for work in progress and finished goods for slow moving and non moving inventory. This resulted in significant decease in inventory turnover ratio.

Trade Receivables Turnover ratio

The company has made additional provisions for expected credit losses, which resulted in decrease of trade receivables. Since the ratio is calculated on a net basis, it looks like there is a significant decrease in the trade receivables turnover ratio.

(v) Scheme of arrangements

There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

50 The Hon'ble National Company Law Tribunal ("NCLT") has approved the 12A Application and consequently the company has come out from the rigors of CIRP with effect from 9th May 2024. As part of the same, the powers of board of directors has been restored and thereby the Resolution Professional has been discharges from his Duties. The Company has also enetered into Master Restructuring Agreement with India Debt Resolution Limited (Acting as a Trustee of NARCL Trust - 0006) vide agreement dated 22nd May 2024 enacting the restructured terms between the company and the financial creditors.

The impact of such restructuring has been provided for in the financial statements and except as has been provided for in the notes of accounts, there are no other significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

51 Comparative figures

Previous year's figures have been reclassified/ regrouped wherever necessary to conform to the current year's classification.

52 Corporate Social Responsibility

The Company in view of losses incurred in the past years is not required to spend any amount towards Corporate Social Responsibility for the year ended March 31, 2025.

53 Other statutory information

(I) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

Notes to Financial statement for the Year ended March 31,2025
(All amounts are in INR Lakhs, except share data and unless otherwise stated)

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

(iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vi) The Company has complied with 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.

(vii) The Company was not declared as a wilful defaulter by any lenders.

(viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(ix) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

(xi) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

(xii) The Company does not have any transactions with companies which are struck off.

As per our report of even date attached

For SRIVATSAN & ASSOCIATES
Chartered Accountants
Firm Registration No.014921S

N.SRIVATSAN
Proprietor
Membership No.230195

UDIN: 25230195BMIWEN4423
Place: Chennai
Date : 29th May 2025

For and on behalf of the board
Dharani Sugars and Chemicals Limited

Dr. PALANI.G. PERIASAMY
Executive Chairman
DIN : 00081002

M. RAMALINGAM
Managing Director
DIN : 00278025

E P SAKTHIVEL
Company Secretary

M P KALIANNAN
Chief Financial Officer

Registered Book Post / Courier

To

PGP GROUP

If Undelivered, Please return to

DHARANI SUGARS AND CHEMICALS LIMITED

(Secretarial Division)

"PGP HOUSE"

New No. 59, (Old No. 57), Sterling Road, Nungambakkam, Chennai - 600 034.