BALRAMPUR CHINI MILLS LIMITED

CIN - L15421WB1975PLC030118
REGD. OFF. : "FMC FORTUNA" 2ND FLOOR, 234/3A, A. J. C. BOSE ROAD, KOLKATA - 700 020
PHONE : 2287-4749 • FAX : (033) 2283-4487 • Email : bcml@bcml.in • www.chini.com

23rd September, 2020

National Stock Exchange of India Limited Listing Department, Exchange Plaza, 5th Floor,Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400051	**BSE Limited** The Corporate Relationship Department 1st Floor, New Trading Wing, Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai- 400001
Scrip Code: BALRAMCHIN	**Scrip Code:** 500038

Dear Sir/ Madam,

Sub: Outcome of the 44th Annual General Meeting of the Company

Kindly note that the 44th Annual General Meeting (AGM) of the Company has been duly convened and held on Tuesday, 22nd September, 2020 at 4.00 P.M. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with guidelines stipulated by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

In this regard, please find enclosed the following:

1. The gist of proceedings of the AGM of the Company held on Tuesday, 22nd September, 2020, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (Annexure - I)

2. Voting Results in terms of the provisions of Regulation 44(3) of the Listing Regulations (Annexure - II);

3. Consolidated Scrutinizer's Report dated 23rd September, 2020 (Annexure - III).

4. The Annual Report for Financial Year 2019-20 and Notice of 44th Annual General Meeting (Annexure IV).

This is for your information and records please.

Thanking you,

Yours faithfully,
For **Balrampur Chini Mills Limited**

Manoj Agarwal
(Company Secretary & Compliance Officer)

Annexure - I

BALRAMPUR CHINI MILLS LIMITED

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GIST OF THE PROCEEDINGS OF THE 44TH ANNUAL GENERAL MEETING (AGM) OF BALRAMPUR CHINI MILLS LIMITED HELD ON TUESDAY, 22ND SEPTEMBER, 2020

The 44th Annual General Meeting (AGM) of the Members of the Company was duly convened and held on Tuesday, 22nd September, 2020 on and from 4.00 P.M. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively issued by the Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India.

Shri Manoj Agarwal, Company Secretary & Compliance Officer, welcomed the Members attending the AGM and briefed about the guidelines to be followed during the Meeting for shareholders. Shri Agarwal also informed the Members about the regulatory aspects pertaining to participation at the Meeting through VC/OAVM. Shri Agarwal also informed that the Company has appointed KFin Technologies Private Limited (KFin) for providing facility for voting through remote e-voting and for participating in the AGM through VC / OAVM and also for e-voting during the AGM. He also informed that the statutory registers and other relevant documents, as mentioned in the Notice of the AGM, have been made available electronically for inspection by the Members during the AGM.

Total 61 Members attended the Meeting as per the records of attendance.

Shri Sumit Mazumder, Chairman of the Company, chaired the proceedings of the Meeting. As the requisite quorum was present, the Chairman called the Meeting to order. Thereafter, he informed that all the other directors have joined the Meeting from their respective locations. All the directors including the respective Chairpersons of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee etc., were also present at the AGM. The representatives of the Statutory Auditors as well as the Secretarial Auditors of the Company were also present through video conferencing.

Thereafter, the Notice convening the 44th AGM (the "Notice") was taken as read with the consent of the Members present. The Chairman mentioned that there were no qualifications, observations or any adverse remarks made by the Auditors in their Report on the Financial Statements (both Standalone and Consolidated) or by the Secretarial Auditor in his Secretarial Audit Report for the financial year ended 31st March, 2020. Hence, the Auditors' Report on the Financial Statement and the Secretarial Audit Report were not required to be read at the AGM.

The Chairman informed that in compliance with the provisions of the Companies Act, 2013 read with the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has extended remote e-

BALRAMPUR CHINI MILLS LTD.

voting facility to its Members, to transact the businesses set out in the Notice. The said remote e-voting facility was made available through our Registrar & Share Transfer Agent, KFin Technologies Private Limited from 19th September, 2020 (10:00 A.M. IST) to 21st September, 2020 (5:00 P.M. IST).

The Chairman informed that CS Amber Ahmad, Proprietor of Amber Ahmad & Associates, Company Secretaries, (Membership No.: FCS-9312 and C.P. No. 8581), Kolkata was appointed as the Scrutinizer for the purpose of scrutinizing the voting process through remote e-voting and e-voting in the AGM in a fair and transparent manner.

He further informed that Members who had not cast their votes through remote e-voting facility and who were present in the meeting would have an opportunity to cast their votes through e-voting system at the end of the meeting.

Thereafter the Chairman invited the Managing Director to give an overview of the financial performance of the Company and future outlook. Shri Vivek Saraogi, Managing Director delivered his speech, highlighting, inter-alia, the financial performance, key focus areas, Covid-19 impact and future outlook of the sugar industry.

The Chairman thereafter invited the members to give their views and raise queries on the financials of the Company and stated that Shri Vivek Saraogi, Managing Director shall respond to the queries. Thirteen (13) Members gave their views and raised queries on various aspects, which were duly noted and responded by the Managing Director and the Chief Financial Officer.

The Chairman thereafter resumed the proceedings and on behalf of the Board placed on record their deepest appreciation for the services rendered by Shri Sakti Prasad Ghosh, Independent Director, whose present tenure was due to end on 30th September 2020. The Chairman informed that since he was now 81 years old he did not wish to be re-appointed for the second term. The Chairman on behalf of the Board wished him good health and thanked him for his outstanding contribution as a Board member. Accordingly, Shri Sakti Prasad Ghosh shall cease to be a Director w.e.f. 30th September 2020.

Thereafter, the Chairman announced activation of the window for e-voting for those Members who were attending the AGM and who could not cast their vote through remote e-voting. He further informed that the window for electronic voting shall remain open for 15 minutes to enable the Members to cast their votes. The Chairman announced that the results shall be submitted to the Stock Exchanges within 48 hours of the conclusion of the meeting, in the prescribed format and the said results along with the Consolidated Scrutinizer's Report on remote e-voting and e-voting during the AGM, shall also be placed on the Company's website and the website of KFin as well. The Chairman also thanked all the Members for their presence and involvement.

Thereafter, the electronic voting through Insta Poll was conducted smoothly.

Based on the Consolidated Scrutinizer's Report dated 23rd September, 2020, following resolutions have been passed by the Members with requisite majority:

BALRAMPUR CHINI MILLS LTD.

Ordinary Business:

1. Adoption of the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and the Auditors thereon. **(Ordinary Resolution)**

2. Adoption of the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Report of the Auditors thereon. **(Ordinary Resolution)**

3. Approval and confirmation of the interim dividend of Rs. 2.50 per Equity Share of the Company paid during the year as the final dividend for the financial year ended 31st March, 2020. **(Ordinary Resolution)**

4. Appointment of Shri Naresh Dayal (DIN: 03059141), who retires by rotation. **(Ordinary Resolution)**

Special Business:

5. Re-appointment of Shri Sumit Mazumder (DIN: 00116654) as an Independent Director of the Company to hold office for another his second term of five consecutive years with effect from 1st May, 2021 to 30th April, 2026 and approval for continuation of Shri Mazumder as an Independent Director of the Company from the day he attains the age of 75 years till the remaining period of his second term, i.e. upto 30th April, 2026. **(Special Resolution)**

6. Appointment of Ms. Veena Hingarh (DIN: 00885567), as an Independent Director of the Company, with effect from 31st August, 2019. **(Ordinary Resolution)**

7. Ratification of remuneration payable to the Cost Auditors. **(Ordinary Resolution)**

The Meeting concluded at 5.16 P.M. with a vote of thanks to the Chairman.

For **Balrampur Chini Mills Limited**

Manoj Agarwal
(Company Secretary & Compliance Officer)

Annexure-II

	BALRAMPUR CHINI MILLS LIMITED
Date of the AGM/EGM	22-09-2020
Total number of shareholders on record date	99244
No. of shareholders present in the meeting either in person or through proxy:	
Promoters and Promoter Group:	Not Applicable
Public:	Not Applicable
No. of Shareholders attended the meeting through Video Conferencing	
Promoters and Promoter Group:	10
Public:	51

Resolution No.	1									
Resolution required: (Ordinary/ Special)	ORDINARY - Adoption of the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and the Auditors thereon.									
Whether promoter/, promoter group are interested in the agenda/resolution?	No									
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid	Votes Abstained
Promoter and Promoter Group	E-Voting	8,65,45,753	8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
Public- Institutions	E-Voting	6,47,64,175	5,43,46,807	83.9149	5,43,46,807	0	100.0000	0.0000	0	2,44,513
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		5,43,46,807	83.9149	5,43,46,807	0	100.0000	0.0000	0	244513
Public- Non Institutions	E-Voting	5,86,90,072	2,38,926	0.4071	2,37,244	1,682	99.2960	0.7039	0	0
	Poll		11,405	0.0194	11,405	0	100.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		2,50,331	0.4265	2,48,649	1,682	99.3281	0.6719	0	0
	Total	21,00,00,000	14,11,42,891	67.2109	14,11,41,209	1,682	99.9988	0.0012	0	244513

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Resolution No.	2									
Resolution required: (Ordinary/ Special)	ORDINARY - Adoption of the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Report of the Auditors thereon.									
Whether promoter/ promoter group are interested in the agenda/resolution?	No									
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid	Votes Abstained
Promoter and Promoter Group	E-Voting	8,65,45,753	8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
Public- Institutions	E-Voting	6,47,64,175	5,43,46,807	83.9149	5,43,46,807	0	100.0000	0.0000	0	2,44,513
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		5,43,46,807	83.9149	5,43,46,807	0	100.0000	0.0000	0	244513
Public- Non Institutions	E-Voting	5,86,90,072	2,38,926	0.4071	2,37,244	1,682	99.2960	0.7039	0	0
	Poll		11,405	0.0194	11,405	0	100.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		2,50,331	0.4265	2,48,649	1,682	99.3281	0.6719	0	0
	Total	21,00,00,000	14,11,42,891	67.2109	14,11,41,209	1,682	99.9988	0.0012	0	244513

BALRAMPUR CHINI MILLS LTD.

Resolution No.	3									
Resolution required: (Ordinary/ Special)	ORDINARY - Approval and confirmation of the interim dividend of Rs. 2.50 per Equity Share of the Company paid during the year as the final dividend for the financial year ended 31st March, 2020.									
Whether promoter/ promoter group are interested in the agenda/resolution?	No									
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid	Votes Abstained
Promoter and Promoter Group	E-Voting	8,65,45,753	8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
Public- Institutions	E-Voting	6,47,64,175	5,45,76,014	84.2688	5,45,76,014	0	100.0000	0.0000	0	15,306
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		5,45,76,014	84.2688	5,45,76,014	0	100.0000	0.0000	0	15306
Public- Non Institutions	E-Voting	5,86,90,072	2,38,926	0.4071	2,37,244	1,682	99.2960	0.7039	0	0
	Poll		11,405	0.0194	11,405	0	100.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		2,50,331	0.4265	2,48,649	1,682	99.3281	0.6719	0	0
	Total	21,00,00,000	14,13,72,098	67.3200	14,13,70,416	1,682	99.9988	0.0012	0	15306

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Resolution No.	4									
Resolution required: (Ordinary/ Special)	ORDINARY - Appointment of Shri Naresh Dayal DIN 03059141, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.									
Whether promoter/ promoter group are interested in the agenda/resolution?	No									
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid	Votes Abstained
Promoter and Promoter Group	E-Voting	8,65,45,753	8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
Public- Institutions	E-Voting	6,47,64,175	5,45,76,014	84.2688	5,12,16,193	33,59,821	93.8437	6.1562	0	15,306
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		5,45,76,014	84.2688	5,12,16,193	33,59,821	93.8438	6.1562	0	15306
Public- Non Institutions	E-Voting	5,86,90,072	2,38,926	0.4071	2,36,044	2,882	98.7937	1.2062	0	0
	Poll		11,405	0.0194	11,405	0	100.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		2,50,331	0.4265	2,47,449	2,882	98.8487	1.1513	0	0
	Total	21,00,00,000	14,13,72,098	67.3200	13,80,09,395	33,62,703	97. .6214	2.3786	0	15306

BALRAMPUR CHINI MILLS LTD.

Resolution No.	5									
Resolution required: (Ordinary/ Special)	SPECIAL - Approval for re-appointment of Shri Sumit Mazumder (DIN: 00116654) as an Independent Director of the Company to hold office for another his second term of five consecutive years with effect from 1st May, 2021 to 30th April, 2026 and approval for continuation of Shri Mazumder as an Independent Director of the Company from the day he attains the age of 75 years till the remaining period of his second term, i.e. upto 30th April, 2026.									
Whether promoter/ promoter group are interested in the agenda/resolution?	No									
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid	Votes Abstained
Promoter and Promoter Group	E-Voting	8,65,45,753	8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
Public- Institutions	E-Voting	6,47,64,175	5,37,03,021	82.9209	5,09,94,991	27,08,030	94.9573	5.0426	0	8,88,299
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		5,37,03,021	82.9209	5,09,94,991	27,08,030	94.9574	5.0426	0	888299
Public- Non Institutions	E-Voting	5,86,90,072	2,38,926	0.4071	2,36,044	2,882	98.7937	1.2062	0	0
	Poll		11,405	0.0194	11,405	0	100.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		2,50,331	0.4265	2,47,449	2,882	98.8487	1.1513	0	0
	Total	21,00,00,000	14,04,99,105	66.9043	13,77,88,193	27,10,912	98.0705	1.9295	0	888299

BALRAMPUR CHINI MILLS LTD.

Resolution No.	6									
Resolution required: (Ordinary/ Special)	ORDINARY - Approval for appointmentregularization of Ms. Veena Hingarh DIN 00885567 as an Independent Director of the Company upto 30th August, 2024.									
Whether promoter/ promoter group are interested in the agenda/resolution?	No									
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid	Votes Abstained
Promoter and Promoter Group	E-Voting	8,65,45,753	8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
Public- Institutions	E-Voting	6,47,64,175	5,45,76,014	84.2688	5,36,75,718	9,00,296	98.3503	1.6496	0	15,306
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		5,45,76,014	84.2688	5,36,75,718	9,00,296	98.3504	1.6496	0	15306
Public- Non Institutions	E-Voting	5,86,90,072	2,38,926	0.4071	2,36,044	2,882	98.7937	1.2062	0	0
	Poll		11,405	0.0194	11,405	0	100.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		2,50,331	0.4265	2,47,449	2,882	98.8487	1.1513	0	0
	Total	21,00,00,000	14,13,72,098	67.3200	14,04,68,920	9,03,178	99.3611	0.6389	0	15306

BALRAMPUR CHINI MILLS LTD.

Resolution No.	7									
Resolution required: (Ordinary/ Special)	ORDINARY - Ratification of remuneration payable to the Cost Auditors.									
Whether promoter/ promoter group are interested in the agenda/resolution?	No									
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100	Votes Invalid	Votes Abstained
Promoter and Promoter Group	E-Voting	8,65,45,753	8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		8,65,45,753	100.0000	8,65,45,753	0	100.0000	0.0000	0	0
Public- Institutions	E-Voting	6,47,64,175	5,45,76,014	84.2688	5,45,76,014	0	100.0000	0.0000	0	15,306
	Poll		0	0.0000	0	0	0.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		5,45,76,014	84.2688	5,45,76,014	0	100.0000	0.0000	0	15306
Public- Non Institutions	E-Voting	5,86,90,072	2,38,926	0.4071	2,37,171	1,755	99.2654	0.7345	0	0
	Poll		11,405	0.0194	11,405	0	100.0000	0.0000	0	0
	Postal Ballot (if applicable)		0	0.0000	0	0	0.0000	0.0000	0	0
	Total		2,50,331	0.4265	2,48,576	1,755	99.2989	0.7011	0	0
	Total	21,00,00,000	14,13,72,098	67.3200	14,13,70,343	1,755	99.9988	0.0012	0	15306

BALRAMPUR CHINI MILLS LTD.

Annexure - III

Amber Ahmad & Associates
COMPANY SECRETARIES

CONSOLIDATED SCRUTINIZER'S REPORT
(VOTING THROUGH REMOTE E-VOTING AND E-VOTING DURING THE ANNUAL GENERAL MEETING)

[Pursuant to Section 108 of the Companies Act, 2013 (as amended) and the Companies (Management and Administration) Rules, 2014 (as amended)]

To,
The Chairman of 44th Annual General Meeting of the Members of **Balrampur Chini Mills Limited (CIN: L15421WB1975PLC030118)**, held on **Tuesday, 22nd September, 2020** at **4:00 P.M. (IST)** through **Video Conferencing ("VC")** or **Other Audio Visual Means ("OAVM")**.

Dear Sir,

1. I, Amber Ahmad, a Company Secretary in Practice and Proprietor of Amber Ahmad & Associates, Company Secretaries (FCS: 9312 and C.P. No.: 8581), Kolkata, have been duly appointed as the Scrutinizer by the Board of Directors of **Balrampur Chini Mills Limited** (the "Company") for the purpose of scrutinizing the process of voting through remote e-voting and e-voting during the Annual General Meeting under the provisions of Section 108 of the Companies Act, 2013 (as amended) (the "Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) (the "Rules") and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) read with the General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 respectively issued by the Ministry of Corporate Affairs (collectively referred to as the "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 on the proposed resolutions contained in the Notice of 44th Annual General Meeting of the Members of the Company dated 23rd June, 2020 (the "Notice").

2. The Management of the Company is responsible to ensure the compliance of the requirements of the Act and Rules relating to remote e-voting and e-voting during the 44th Annual General Meeting (the "AGM" or the "Meeting") on the proposed resolutions contained in the Notice. My responsibility as a Scrutinizer for the process of voting through remote e-voting and e-voting during the AGM is to ensure that the voting process is conducted in a fair and transparent manner and is restricted to making a Scrutinizer's Report for the votes cast in "favour" or "against" on the resolutions proposed in the Notice, based on the reports generated from the e-voting system provided by KFin Technologies Private Limited ("KFin / RTA"), the agency authorized under the Rules and engaged by the Company to provide remote e-voting and e-voting during the AGM.

AMBER AHMAD & ASSOCIATES FCS 9312 C. P. NO. 8581 KOLKATA COMPANY SECRETARIES

Office Address : Bagati House, Room No. 12, 3rd Floor, 34, Ganesh Chandra Avenue, Kolkata - 700 013
Phone : 8232021560 (O), Mobile : 9831918591 / 8335814488
E-mail : cs.amberahmad@gmail.com; mail.csamberoffice@gmail.com

Continuation Sheet No. 2

3. As confirmed by the Company, the Notice was sent through electronic mode to the Members whose email addresses were registered with the Company / Depositories / RTA in compliance with the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020. Further, the Company had uploaded the Notice of the AGM on the website of the Company and also on KFin's website and also on the websites of the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.

4. Prior to dispatch of the Notice and the Annual Report 2019-20, the requisite advertisement pursuant to the Rules and the MCA Circulars containing all required information was published by the Company on 24th August, 2020 in "Business Standard" (English) (All Editions) and "Aajkaal" (Bengali) (Kolkata Edition) including electronic editions.

   Post dispatch of the Notice and the Annual Report 2019-20, the requisite advertisement pursuant to the Rules and the MCA Circulars containing all required information was published by the Company on 31st August, 2020 in "Business Standard" (English) (All Editions) and "Aajkaal" (Bengali) (Kolkata Edition) including electronic editions.

5. In terms of the aforesaid Notice, the remote e-voting facility was kept open for three days from **Saturday, 19th September, 2020 at 10:00 A.M. (IST)** to **Monday, 21st September, 2020 at 5:00 P.M. (IST)** and Members were requested to cast their votes electronically conveying their assent or dissent in respect of the resolutions on the e-voting platform provided by KFin.

6. The Members of the Company as on the **"cut-off" date, i.e., 15th September, 2020** were entitled to vote on the resolutions proposed in the Notice.

7. At the end of the remote e-voting period on 21st September, 2020 at 5:00 P.M. (IST), the voting portal of KFin was blocked forthwith.

8. Thereafter, for the purpose of ensuring that Members who have cast their votes through remote e-voting do not vote again during the AGM, I was provided access to the details such as the name, folio no., DP / Client ID and number of shares held by those Members who had opted for the remote e-voting except for the manner in which they have cast their votes.

AMBER AHMAD & ASSOCIATES FCS 9312 C.P. NO. 8581 KOLKATA COMPANY SECRETARIES

Continuation Sheet No. 3

9. At the AGM of the Company held on 22nd September, 2020, the Chairman at the end of discussions on the resolutions announced that the facility for e-voting is available to the Members attending the Meeting through VC / OAVM, who did not participate in the remote e-voting, to record their votes.

10. Immediately after conclusion of the AGM on 22nd September, 2020, e-voting during the Meeting were reckoned and thereafter the votes cast through remote e-voting and e-voting during the AGM were unblocked in the presence of Ms. Afreen Khurshid and Mr. Pramit Dasgupta who acted as witnesses (who are not in employment of the Company) as prescribed under sub-rule 4(xii) of Rule 20 of the Rules. They have signed below in confirmation of the votes being unblocked in their presence:-

Afreen Khurshid	Pramit Dasgupta
Ms. Afreen Khurshid	Mr. Pramit Dasgupta

11. Thereafter, the details containing, inter alia, list of the Members, who voted "for" or "against" on each of the resolutions that were put to vote, were derived from the reports generated from the e-voting website of KFin, including votes cast by the Members during the AGM.

12. I have issued separate Scrutinizer's Reports on the remote e-voting and e-voting during the AGM on the resolutions contained in the Notice. I submit herewith my Consolidated Scrutinizer's Report on the results of voting through remote e-voting and e-voting during the AGM as under:-

AMBER AHMAD & ASSOCIATES FCS 9812 C.P. No. 8581 KOLKATA COMPANY SECRETARIES

Continuation Sheet No. 4

ORDINARY BUSINESS

Item No. 1	Adoption of Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.						
Resolution Required	Ordinary						
Particulars	Remote E-Voting		E-Voting during the AGM		Total		Percentage (%)
	No.	Votes	No.	Votes	No.	Votes	
Assent	218	141129804	15	11405	233	141141209	99.9988
Dissent	2	1682	0	0	2	1682	0.0012
Total Valid Votes Cast	**220**	**141131486**	**15**	**11405**	**235**	**141142891**	**100**
Abstain / Invalid Votes	3	244513	0	0	3	244513	

Item No. 2	Adoption of Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Report of the Auditors thereon.						
Resolution Required	Ordinary						
Particulars	Remote E-Voting		E-Voting during the AGM		Total		Percentage (%)
	No.	Votes	No.	Votes	No.	Votes	
Assent	218	141129804	15	11405	233	141141209	99.9988
Dissent	2	1682	0	0	2	1682	0.0012
Total Valid Votes Cast	**220**	**141131486**	**15**	**11405**	**235**	**141142891**	**100**
Abstain / Invalid Votes	3	244513	0	0	3	244513	

AMBER AHMAD & ASSOCIATES FCS 9312 C.P. No. 8561 KOLKATA COMPANY SECRETARIES

Continuation Sheet No. 5

Item No. 3	Approval and confirmation of the interim dividend of Rs. 2.50 per Equity Share of the Company paid during the year as the final dividend for the financial year ended 31st March, 2020.						
Resolution Required	Ordinary						
Particulars	Remote E-Voting		E-Voting during the AGM		Total		Percentage (%)
	No.	Votes	No.	Votes	No.	Votes	
Assent	219	141359011	15	11405	234	141370416	99.9988
Dissent	2	1682	0	0	2	1682	0.0012
Total Valid Votes Cast	**221**	**141360693**	**15**	**11405**	**236**	**141372098**	**100**
Abstain / Invalid Votes	2	15306	0	0	2	15306	

Item No. 4	Appointment of Director in place of Shri Naresh Dayal (DIN: 03059141), who retires by rotation and being eligible, offers himself for re-appointment.						
Resolution Required	Ordinary						
Particulars	Remote E-Voting		E-Voting during the AGM		Total		Percentage (%)
	No.	Votes	No.	Votes	No.	Votes	
Assent	205	137997990	15	11405	220	138009395	97.6214
Dissent	16	3362703	0	0	16	3362703	2.3786
Total Valid Votes Cast	**221**	**141360693**	**15**	**11405**	**236**	**141372098**	**100**
Abstain / Invalid Votes	2	15306	0	0	2	15306	

AMBER AHMAD & ASSOCIATES COMPANY SECRETARIES FCS 9312 C. P. NO. 8581 KOLKATA

Continuation Sheet No. 6

SPECIAL BUSINESS

Item No. 5	Re-appointment of Shri Sumit Mazumder (DIN: 00116654) as an Independent Director of the Company to hold office for his second term of five consecutive years with effect from 1st May, 2021 to 30th April, 2026 and approval for continuation of Shri Mazumder as an Independent Director of the Company from the day he attains the age of 75 years till the remaining period of his second term, i.e. upto 30th April, 2026.						
Resolution Required	Special						
Particulars	Remote E-Voting		E-Voting during the AGM		Total		Percentage (%)
	No.	Votes	No.	Votes	No.	Votes	
Assent	203	137776788	15	11405	218	137788193	98.0705
Dissent	17	2710912	0	0	17	2710912	1.9295
Total Valid Votes Cast	**220**	**140487700**	**15**	**11405**	**235**	**140499105**	**100**
Abstain / Invalid Votes	3	888299	0	0	3	888299	

Item No. 6	Appointment of Ms. Veena Hingarh (DIN: 00885567) as an Independent Director of the Company for a period of five consecutive years with effect from 31st August, 2019 to 30th August, 2024.						
Resolution Required	Ordinary						
Particulars	Remote E-Voting		E-Voting during the AGM		Total		Percentage (%)
	No.	Votes	No.	Votes	No.	Votes	
Assent	212	140457515	15	11405	227	140468920	99.3611
Dissent	9	903178	0	0	9	903178	0.6389
Total Valid Votes Cast	**221**	**141360693**	**15**	**11405**	**236**	**141372098**	**100**
Abstain / Invalid Votes	2	15306	0	0	2	15306	

AMBER AHMAD & ASSOCIATES FCS 9312 C.P. NO. 8581 KOLKATA COMPANY SECRETARIES

Continuation Sheet No. 7

Item No. 7	Ratification of remuneration of M/s. Mani & Co. (Firm Registration No.: 000004) appointed as the Cost Auditor of the Company pursuant to Section 148 of the Companies Act, 2013 and other applicable provisions.						
Resolution Required	Ordinary						
Particulars	Remote E-Voting		E-Voting during the AGM		Total		Percentage (%)
	No.	Votes	No.	Votes	No.	Votes	
Assent	216	141358938	15	11405	231	141370343	99.9988
Dissent	5	1755	0	0	5	1755	0.0012
Total Valid Votes Cast	**221**	**141360693**	**15**	**11405**	**236**	**141372098**	**100**
Abstain / Invalid Votes	2	15306	0	0	2	15306	

Based on the aforesaid results, the resolution no.(s) 1 to 7 as contained in the Notice have been passed with the requisite majority.

All the relevant records relating to the remote e-voting and and e-voting during the AGM are under my safe custody and will be handed over to the Chairman or the Company Secretary for preserving safely after the minutes of the Meeting are signed.

Thanking you,

Yours faithfully,
For AMBER AHMAD & ASSOCIATES
Company Secretaries

CS AMBER AHMAD
Proprietor
Membership No.: FCS 9312
C.P. No.: 8581
UDIN: F009312B000756465

AMBER AHMAD & ASSOCIATES FCS 9312 C.P. NO. 8581 KOLKATA COMPANY SECRETARIES

Countersigned by:
For BALRAMPUR CHINI MILLS LTD.
Managing Director

Place: Kolkata
Date: 23rd September, 2020

BALRAMPUR CHINI MILLS LIMITED
ANNUAL REPORT 2019-20

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Key performance highlights, 2019-20

(₹ crore)
4741.29
Revenue from operations

(₹ crore)
681.97
EBIDTA

(₹ crore)
502.27
Total Comprehensive Income

(lac tonnes)
102.03
Cane crushed

(lac tonnes)
11.67
Sugar produced

(crore litres)
11.57
Ethanol produced

(crore units)
90.24
Power generated

6022
Number of employees

(₹ crore)
2289.10
Market capitalization

Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in making assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

“There is a tide in the affairs of men. Which, taken at the flood, leads on to fortune. Omitted, all the voyage of their life is bound in shallows and in miseries. On such a full sea are we now afloat...”

William Shakespeare, Julius Caesar

Why do we need to turn a steady ship in a new direction?

Because we stand at an inflection point from where we can take our Company to the next level

Because the circum-stances in which we succeeded earlier could soon change

Because new opportuni-ties need enhanced respon-siveness

Because the strategy of the past is no guarantee of the success of the future

Because whatever is good can always be made better

This is where we have come from...

2000
Revenues
393.48
₹ crore

2020
Revenues
4741.29
₹ crore

2000
PBT
23.52
₹ crore

2020
PBT
554.93
₹ crore

1990
1
Plant

2020
10
Plants

Until 1994
1
Product

2020
3
Products

Until 2000
2731
Employees

2020
6022
Employees

2000

Sugar recovery achieved

9.90

%

2020

Sugar recovery achieved

11.93

%

2000

Crushing capacity

20,500

TCD

2020

Crushing capacity

76,500

TCD

2000

Saleable cogeneration capacity

Nil

MW

2020

Saleable cogeneration capacity

165.2

MW

2000

Distillery capacity

60

KLPD

2020

Distillery capacity

520

KLPD

2000

Value of cane procured

275.55

₹ crore

2020

Value of cane procured

3441.50

₹ crore

What Balrampur Chini Mills has achieved till now

Respect
Emerged as one of the most respected sugar companies in India

Sustainability
Remained profitable in 18 of the last 20 years

Broad based
Was one of the first sugar companies to diversify from sugar to synergic businesses (co-generation and distillery)

De-risking
Successfully demonstrated that the sugar business could be relatively de-risked even when scaled

Acquisitions
Engaged in four acquisitions, turning around loss making units into profitable ones

Digital

Emerged as one of the first sugar companies to start the digital transfer of farmer dues more than a decade ago.

Buybacks

Engaged in four continuous share buyback of equity shares till Q 1 of 2020-21, among the highest in India's agri-based sector

Responsible

Emerged as a sectorial showcase for responsible environment practices

Performance

Achieved improved recoveries among Uttar Pradesh sugar mills (despite belonging to a low recovery region of East Uttar Pradesh)

Rating

Achieved a credit rating of AA, the highest accorded to any sugar company in India

Our inflection points in four decades

1975-1990: Our building block

1975

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

1976

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

1990-1999 : Growth phase

1990

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

1995

Commissioned a distillery in Balrampur; the capacity of 60 kilolitres per day was subsequently raised to 160 kilolitres per day.

1998

Acquired a controlling stake in Tulsipur Sugar Company Limited, located near Balrampur in Eastern Uttar Pradesh with an installed capacity of 2,500 TCD. Tulsipur Sugar Company Limited was merged with BCML with effect from 1st April 1999; the crushing capacity of Tulsipur Sugar was subsequently expanded to 7,000 TCD.

2000-2014: Integrated growth

2003

Commissioned a bagasse-based cogeneration power plant with a capacity of 19.55 MW at Balrampur, which was subsequently increased to 24.55 MW.

2004

Set up an integrated sugar complex at Haidergarh with a crushing capacity of 4,000 TCD and a bagasse-based co-generation power plant (20.25 MW).The crushing capacity of the Haidergarh sugar division was since increased to 5,000 TCD.

Commissioned a cogeneration plant at the Babhnan unit (3 MW).

In January 2004, the Company commenced operations at Babhnan of a new distillery (60 kilolitres per day)

2005

A greenfield sugar project with a capacity of 7,000 TCD was set up at Akbarpur along with a bagasse-based 18-megawatt cogeneration power plant. The crushing capacity was subsequently expanded to 7,500 TCD.

2000-2014: Integrated growth (contd.)

2006

Set up a greenfield integrated sugar complex at Mankapur – sugar manufacturing capacity of 8,000 TCD, 34 MW co-generation power plant and a 100-KLPD distillery. The plant's cogeneration capacity is currently 43.60 MW.

Acquired an integrated sugar unit at Rauzagaon from Dhampur Sugar Mills Ltd. The unit (then capable of crushing 7,500 TCD and generating 12 MW of power) was expanded to 8,000 TCD; power generation capacity was enhanced to 25.75 MW.

2007

Set up a greenfield integrated sugar complex at Kumbhi, with a sugar crushing capacity of 8,000 TCD and 20 MW co-generation power plant. The co-generation facility was expanded to 32.70 MW in 2014.

Another greenfield integrated sugar complex was set up at Gularia, with a crushing capacity of 8,000 TCD and cogeneration capacity of 31.3 MW.

Acquired a 53.96% stake in Indo Gulf Industries Limited (IGIL) and assumed control of its management. IGIL had a sugar unit with a crushing capacity of 3,000 TCD at Maizapur. The sugar division was demerged from IGIL and merged with BCML. During the year 2017, BCML sold its entire stake in IGIL after completion of the Open Offer formalities.

2015 to 2019: Caring for the environment and the shareowners

2015

Invested in incinerators at the distillery for better environment management as well increased distillery operational days

2016 to 2019

Carried out three share buyback schemes with a cumulative payout of ₹421.67 crore under the buyback

2020

Commissioned a 160 KLPD distillery at Gularia to manufacture ethanol

Converted the sugar manufacturing process of Tulsipur plant having capacity of 7000 TCD from double sulphitation to defco remelt Phospho-floatation process.

2020 onwards

Creating the foundation for institution building

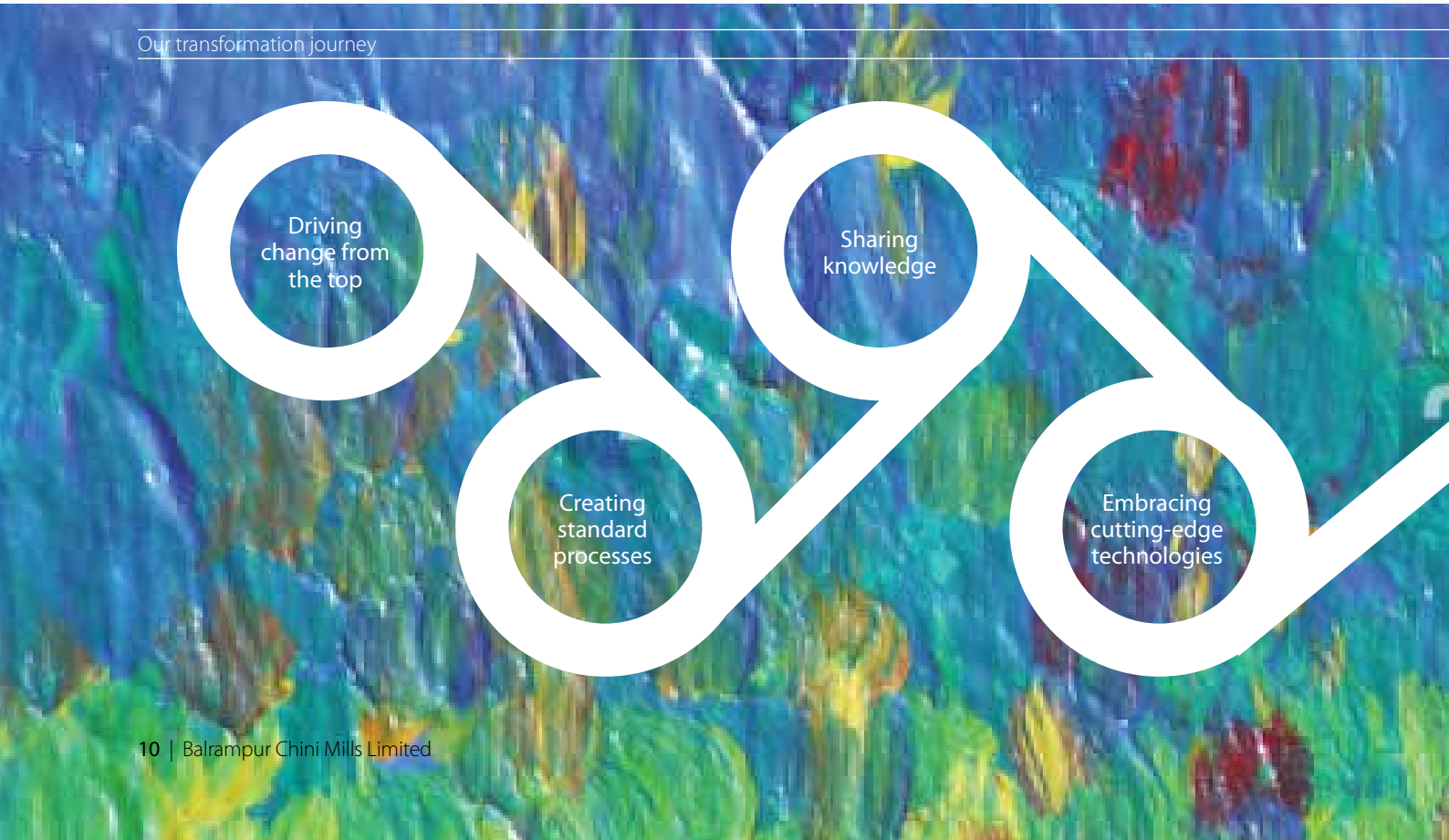
Professionally-driven → Process-driven → Technology-oriented → Proactive

Our journey from good to great

At Balrampur Chini Mills, we have embarked on a momentous journey to graduate from an organisation into an institution by questioning established beliefs, processes and practices

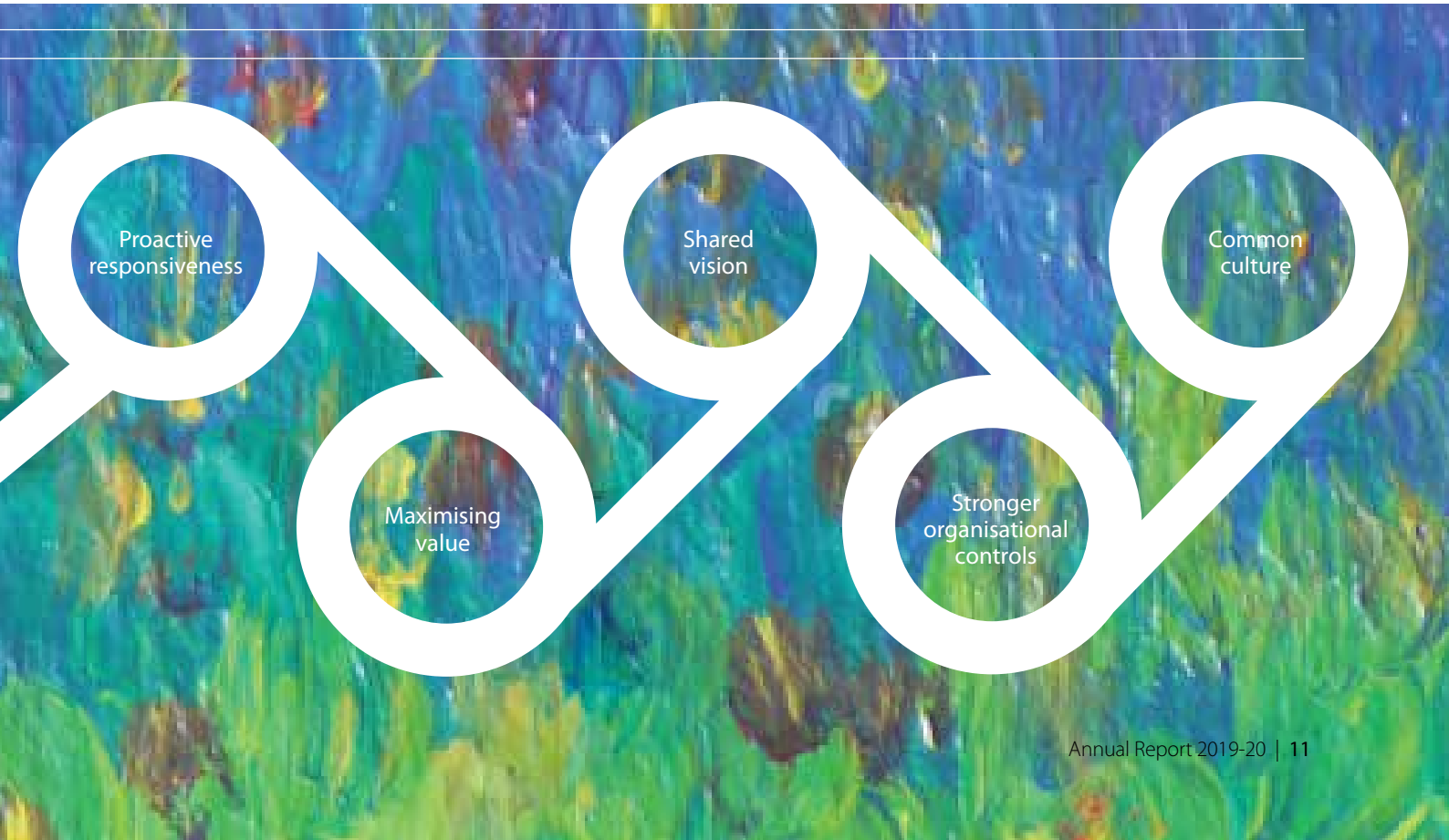
Distillery division

100 TPD granulation plant



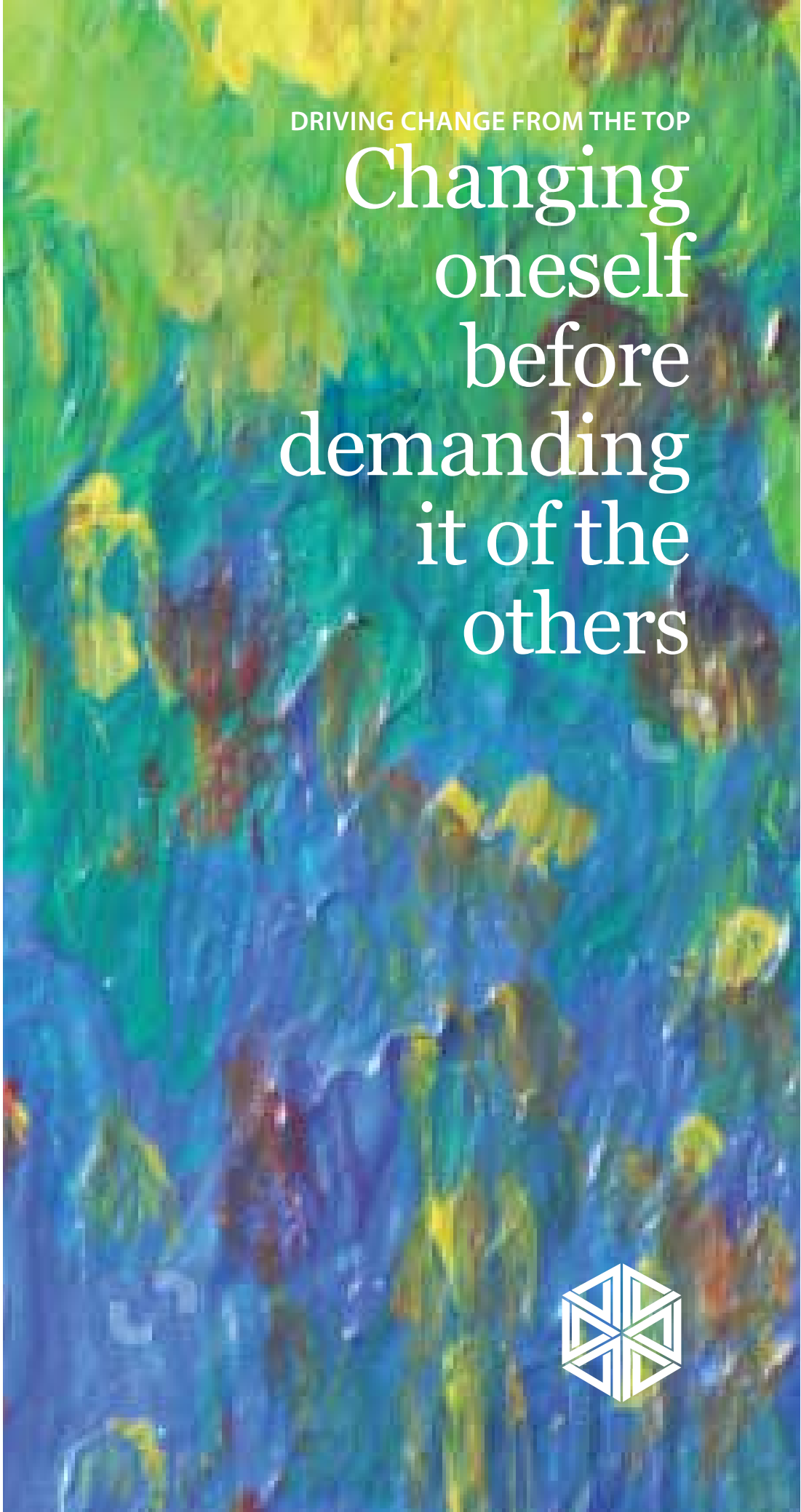
Sugar plant viewfrom the inside

Water treatment plant



DRIVING CHANGE FROM THE TOP

Changing oneself before demanding it of the others



CHANGE IS MOST ENDURING WHEN IT STARTS WITH THE TOP

At BCML, this is the principal message that we are sending out.

Over the last few years, the Company engaged professionals to design a new organisational architecture.

This architecture commenced with the way the Managing Director would see a new role for himself following feedback and a holistic coaching program.

How he would drive the design of an organisational architecture that would be professional, systems-driven, delegated and creating leaders at every level.

How he would lead the way in professionalising the people engagement practice comprising structured recruitment and performance management system, training, development and skills renewal.

How he would deepen the foundation of data-based meritocracy.

How he would evangelise the need for change well before it was dictated by the world.

How he would lead the Company to the next level.

This transformation ensures a complete promoter buy-in that makes it easier for change to be embraced across the organisation.

Change being driven by top

Professionalised culture → Merit-based orientation → Road map for the next growth level

CREATING STANDARDISED PROCESSES

Graduating the Company from 'I think so' to 'I know so'

FOR YEARS, BCML GREW ATTRACTIVELY ON THE BACK OF ITS VARIOUS MANUFACTURING UNITS THAT ACTED AS STANDALONE PROFIT CENTRES

The time has come for the value represented by these units to be leveraged more effectively.

The next round of the growth of these manufacturing units is not likely to come from fresh or sizable investments; it is likely to be derived from a framework of processes.

Processes that make it possible to extend the best practices of select new plants to the older units.

Processes driven by standard operating protocols that emphasise discipline over arbitrariness.

Processes that harness the digitalisation of investments to accelerate efficiency.

Processes that replace subjectiveness in decision-making with informed predictability.

This transformation will help create an understanding of how any employee, faced with any market reality, will know exactly how to respond across a period of time.

Process sanctity

SHARING OF KNOWLEDGE

Growing a culture of change, one person at a time

FOR YEARS, BCML MADE THE MOST OF A STRUCTURE WHERE EMPLOYEE FEEDBACK WAS AGGREGATED WITHIN TEAMS AT THE PLANT LEVEL. THIS STRUCTURE ENHANCED TEAM EFFICIENCY WITHIN MANUFACTURING FACILITIES, THE BASIS OF OUR OUT-PERFORMANCE

In the new BCML, we believe that opinions – the lifeblood of all progress – do not just need to be aggregated; they need to be escalated, dispersed and shared.

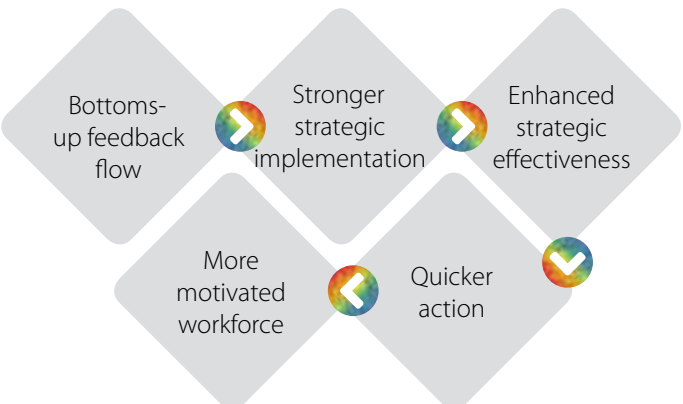
We believe that all voices – not just select - need to be heard, captured, classified and escalated to the right people for timely and informed decision-making. Such an approach will not only enhance our responsiveness; it will also deepen employee conviction that they matter within the larger system, strengthening morale and emotional ownership; it could provide a basis for their empowerment, recognition and remuneration; it could help create the next round of leaders from within.

Besides, this communication pipeline will enable the senior management to enter into a dialogue with managers across tiers, roles and functions, making it possible to share the strategic direction and a larger organisational picture.

This alignment – top to bottom and bottom to top – will accelerate a pan-organisational exchange in a structured manner.

This makes a reinventing BCML more like a river – the flow of water are the opinions, feedback and information passing through the organisation; the river is different across moments and yet remains the same.

Changing culture



EMBRACING CUTTING-EDGE TECHNOLOGIES

Building a company by investing in technology accelerators

FOR YEARS, BCML MADE THE MOST OF A MIX OF ADVANCE TECHNOLOGY INVESTMENTS AND MANUAL ENGAGEMENT CUSTOMISED AROUND THE NEEDS OF THE SUGAR SECTOR

A reinvented BCML is making deeper technology investments to accelerate efficiency.

The Company made a decisive investment in SAP S/4 HANA with the objective to create a technology backbone that would not just translate into stronger controls and enhanced seamless information access; it would enrich the organisational culture.

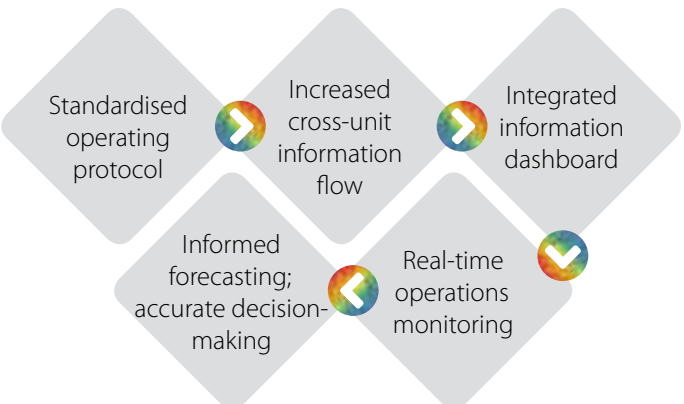
The Company migrated from 'On Premise SAP ERP' to 'SAP S/4 HANA' hosted at Secured and Managed HANA Enterprise Private Cloud environment.

The Company piloted projects on plant and spares maintenance with the objective to enhance plant uptime and moderate spares inventory.

The Company covered cane development with relevant technology interventions that comprised geo-tagging, satellite mapping and accurate farm output estimation.

The result is a BCML culture that trusts factfulness and makes data the basis of its decision-making.

Technology-driven efficiency



PROACTIVE RESPONSIVENESS

Reinforcing a culture of staying ahead of the curve

FOR YEARS, BCML RELIGIOUSLY COMPLIED WITH STATUTORY REGULATIONS AS A RESPONSIBLE CORPORATE CITIZEN

In the reinvested BCML, the focus is not just to match the curve but to stay ahead of it; the focus is not only to protect its unblemished record but to fortify its position as a sectoral pioneer.

This commitment was showcased when BCML invested in incinerator boilers to create a Zero Liquid Discharge (ZLD) mechanism for operation of its distilleries.

The Company invested in transforming its manufacturing units in line with compliance standards as per norms stipulated by State Regulatory Body (SRB) and Central Regulatory Body (CRB).

The Company invested in processes to reuse water generated from cane and consume it within the process loop following treatment.

The 360 degree effort resulted in enhanced respect and reputation for being an environment-friendly and socially responsible organisation

The Company is among the largest producers of ethanol, a product used for blending with petrol, reducing the global carbon footprint.

Environment management

MAXIMISING VALUE

Building on a culture that transforms waste into value

FOR YEARS, BCML MAXIMISED THE UTILISATION OF AVAILABLE RESOURCES

The Company extended from the standalone manufacture of sugar to the utilisation of byproducts to manufacture downstream products like ethanol, co-generation and fertilise. The result is that during the year under review, the Company generated 15.29% of its revenues from non-sugar products, helping moderate an excessive dependence on the sweetener.

In a reinventing BCML, there will be a stronger focus on maximising resource consumption with the objective to generate the fullest downstream value from a stick of cane.

The Company invested in technology to produce potash from ash generated at its three distilleries that can be used as an agri-input.

The Company will further explore how to increase production of ethanol through cane juice route or through B-heavy molasses route and also achieve its target of lowering the production of sugar.

The result is a growing respect for what nature can offer and making the cleanest and complete use of all available resources.

Waste into wealth

Creating value from waste → Maximise resource utilisation → De-risking the business

STRATEGIC FOCUS

Strengthening a no distraction strategic culture

FOR YEARS, BCML STOOD FOR A SINGULAR FOCUS ON THE MANUFACTURE OF SUGAR AND BYPRODUCTS

In a reinventing BCML, the discipline will continue to be emphasised.

This discipline will comprise a priority for cash flows over cash profits and of sustainable liquidity over immediate profitability.

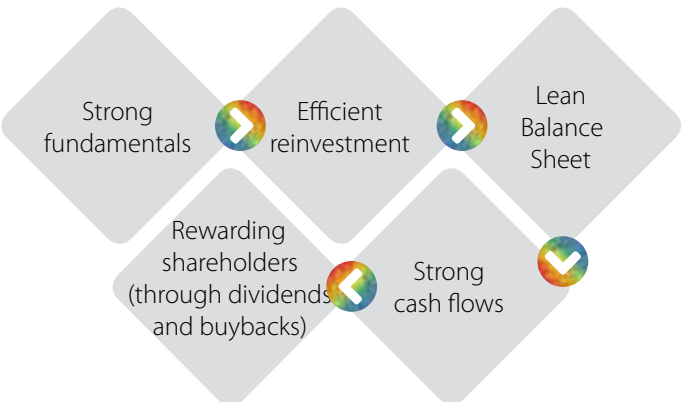
This discipline will comprise a singular focus on efficient cane resource conversion as the principal generator of profits as opposed to taking speculative market exposures with the possibility of generating outsized gains.

This discipline will comprise a propensity to immediately liquidate all allocated quotas (domestic and exports) and generate superior cash flow.

This discipline is expected to moderate long-term debt and generate predictable returns in a cyclical business for the benefit of all stakeholders.

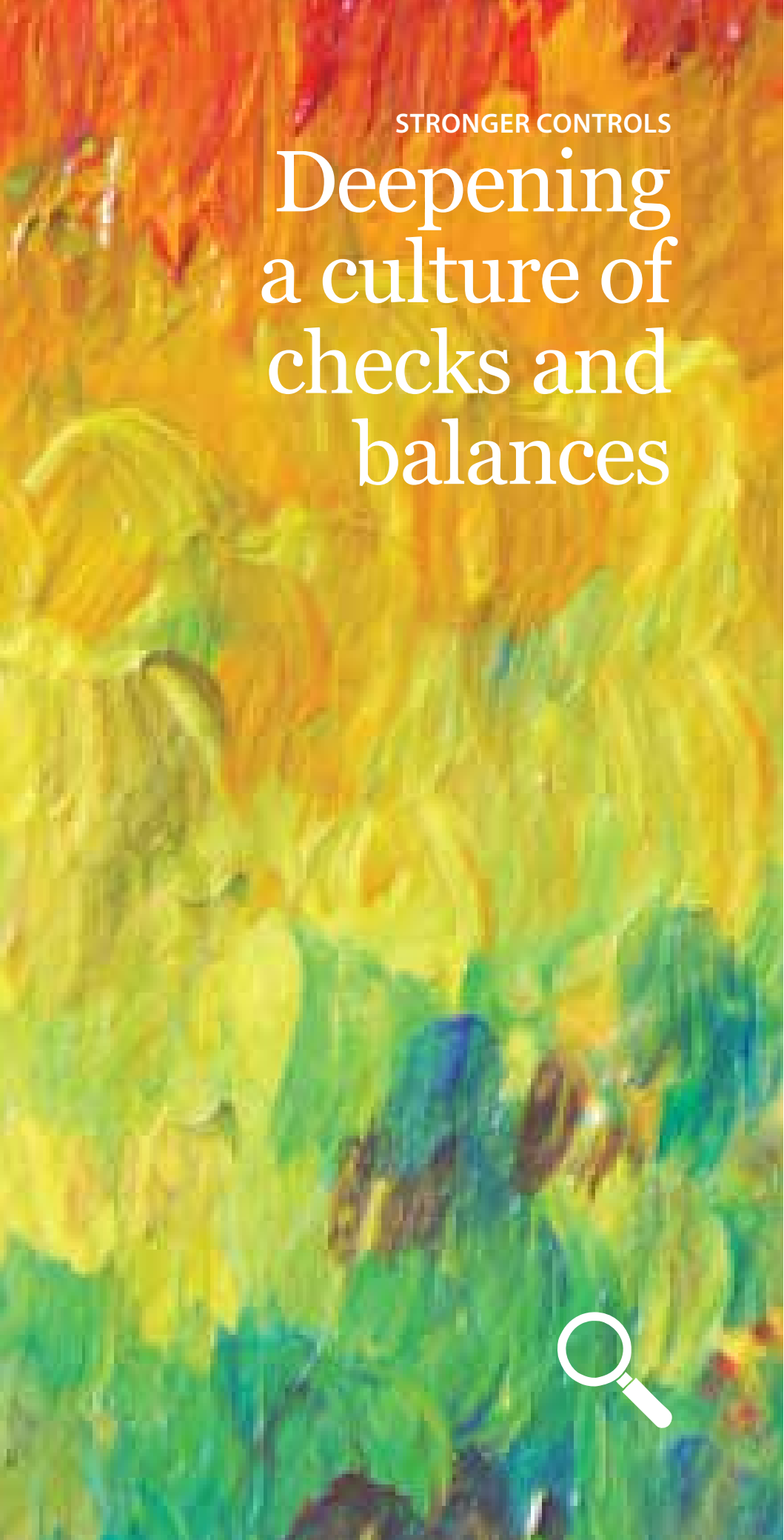
The result is a financially stable organisation that protects the livelihood of thousands.

Financial discipline



STRONGER CONTROLS

Deepening a culture of checks and balances



FOR YEARS, BCML INVESTED IN A SERIES OF CHECKS AND BALANCES CUSTOMISED AROUND ITS NEEDS

A combination of manual and automated controls created a predictability of outcomes.

In a reinventing BCML, we are taking this discipline to the next level.

The Company has articulated the over-riding importance of process integrity outcomes, validating that the means are more important than the end.

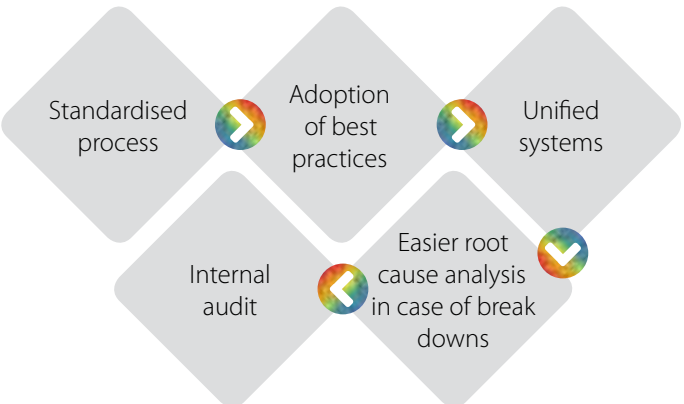
The Company has covered virtually every function with SOPs, prescribing the way that function has to be addressed, coupled with the provision of a systemic alert in the event of a deviation.

The Company has created a management audit team to vet its preparedness and response to key risk and the root cause analysis of any lapses, which is presented to the Board for validation or corrective action.

The Company created a stronger architecture of checks within the decision-making and implementation processes with the objective to strengthen de-risking.

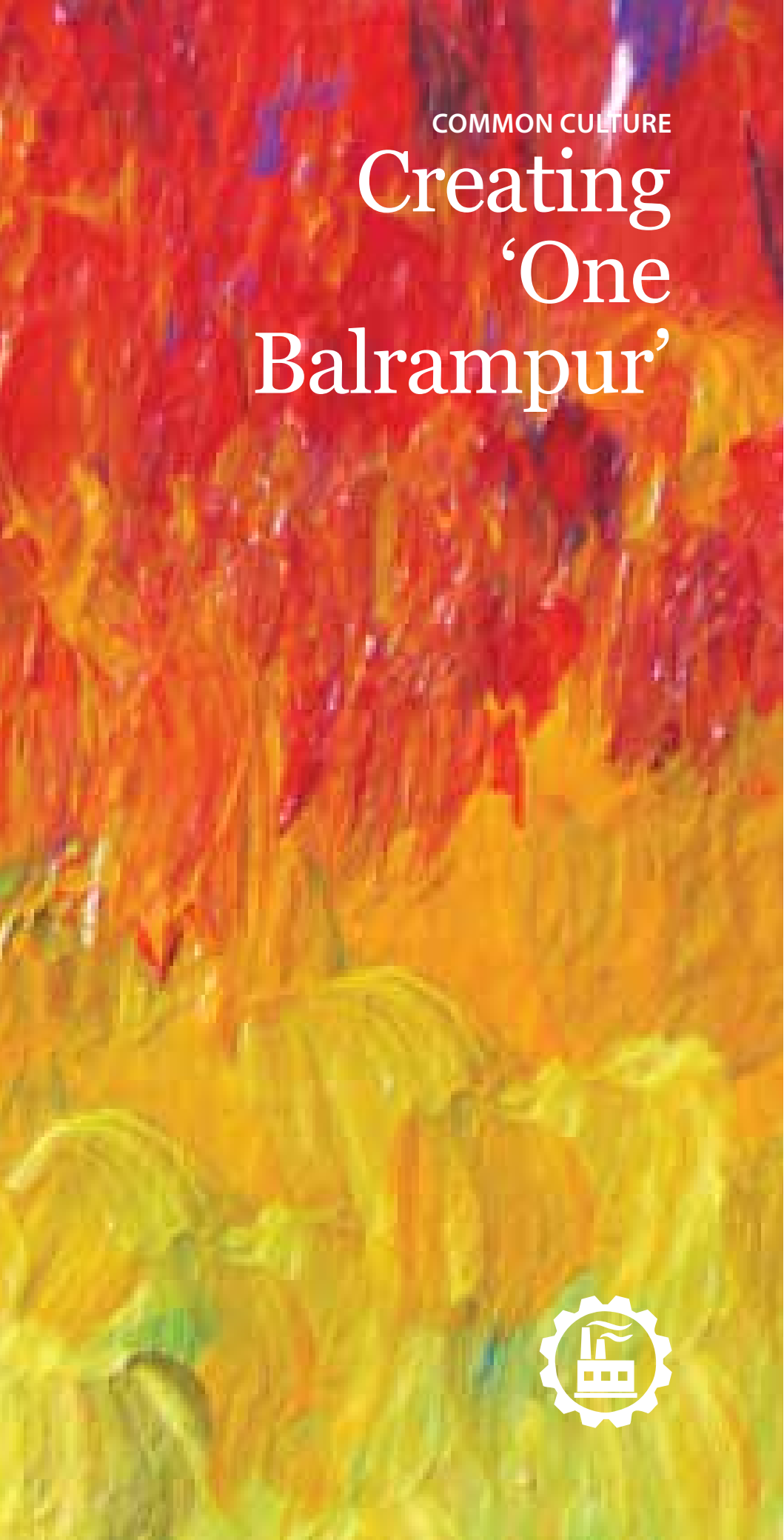
The result is that the BCML of today delivers a greater decision-making stability that assures the predictability of outcomes.

Creating process integrity



COMMON CULTURE

Creating ‘One Balrampur’



FOR YEARS, BCML WAS LARGELY DECENTRALISED WHERE MANUFACTURING UNITS WERE MANAGED BY UNIT HEADS REPORTING TO THE CORPORATE OFFICE

The result was that there were ten 'companies' within one company, creating a number of operating cultures that needed to be reconciled.

In a reinventing BCML, we believe that the time has come for the creation of a common corporate identity, culture and decision-making platform.

The Company intends to evolve the focus of its ten manufacturing facilities into a shared BCML pride, where their effectiveness would be derived from how well the Company performed as a whole as opposed to how effectively their unit delivered to the corporate output.

The Company intends to create a governing platform comprising senior executives that operates like a 'Shadow Board' with the objective to evolve the organisation from promoter-driven to professionally-managed. This initiative is expected to incorporate diverse views leading to informed decision-making.

The Company expects that in this professionally-driven environment the senior management will be liberated to dedicate more time in driving the strategic direction of the Company that graduates it to the next round of growth.

The result is that the word 'integration' at BCML is expected to refer not just to product value-addition but a Company that is completely on the same page.

Unification of BCML

Balrampur Chini Mills Limited. Among the largest sugar producers in India's private sector.

More than standalone; an integrated multi-product Company.

Built around responsibility, profitability and sustainability.

Who we are

- One of the largest integrated sugar manufacturers in India
- Led by Mr. Vivek Saraogi, the Company is managed by professionals with a deep sectorial understanding
- Generates revenues from the manufacture of sugar, ethanol, co-generation and agricultural fertlisers.

Where we are

- Headquartered in Kolkata, India
- A complement of sugar factories, distilleries and co-generation units across the cane-rich belts of Eastern and Central Uttar Pradesh

Where we are listed

The Company is listed on the Bombay Stock Exchange (scrip code: 500038) and the National Stock Exchange (scrip code: BALRAMCHIN) where its shares are traded actively. The market capitalisation of the Company stood at ₹2289.10 crore as on 31st March 2020 with a promoter shareholding of 41.10%

How we have been pioneering

- The Company was among the first to moderate dependence on sugar and venture into distillery and cogeneration.
- The Company was among the first in its industry to install an incinerator boiler in the distillery to eliminate effluents discharge that made it possible to run the distillery for 330 days (against the regulated 270 days)
- Strengthened the Balance Sheet by repaying and pre-paying long term debts
- Generated a high pay-out to shareholders by way of dividends and share buy-backs.

How we are rated

Reputed rating agencies, namely CRISIL and ICRA assigned AA/Stable and A1+ rating to Long Term and Short Term limits of the Company, reflecting the strength of the Company's Balance Sheet

How we conduct our business

Big numbers

Our units

10
Number of sugar factories

4
Distillery units

8
Co-generation units

Our capacities

76500
TCD, cane crushing capacity per day

520
Kilolitres per day of distillery capacity

165.2
MW, saleable co-generation capacity

Our need for change

How BCML is preparing the ground to graduate into a new incarnation

Our conventional business approach

- Personality-driven business model
- 'Who decided what' was more important than an organisational process
- The systems that existed were not applied equitably across 10 plants
- Plant dynamics were often more important than organisational priority

What we wish to become

- A great place to work (recognised as one beyond the sugar sector)
- A model agri-based company respected world over
- A Company that is a benchmark across functions and units
- A Company that comprises leaders at every level
- A Company with a greater appetite to self-question

The challenges we started with

- A large number of plants (10)
- A mix of new and old manufacturing units, resulting in different cultures
- A mindset that sugar professionals know best how their business is to be managed
- Increasingly uncertain economic and social outlook

How BCML's leadership is adapting

- A need for external intervention in graduating BCML from a Company into an institution
- A recognition that what got the Company here would not get it there
- A willingness to rewire the organisation from the senior leadership downwards
- The managerial feedback became the basis for leadership evolution

Need to strengthen organisational design

- Build an organisation for scale and sustainability
- Strengthen the framework of governance
- Establish a clarity of managerial roles
- Deepen a culture of standardisation between operating units
- Infuse best people practices from different sectors; strengthen meritocracy

What we expect to achieve in 2020-21

- Change in leadership style
- Build more leaders from within
- Deepen investment in unit leadership
- Invest in people and shift their mindsets

Preserving the soul of the Company

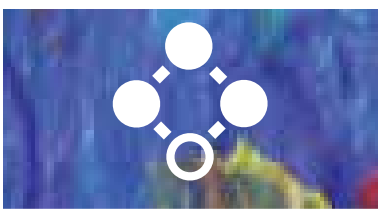
- Driven by a passion to remain the benchmark
- Focus on doing what the Company is best at
- Driven by a culture of urgency
- Protecting farmer confidence
- Prudent de-risking

Creating the BCML of the future

- Create the identity of one BCML (comprising units and corporate office)
- Create a personality extending beyond sugar
- Evolution from the entrepreneurial to the institutional
- More organic and amoebic – the ability to transform with speed
- Leadership to focus on strategic direction; professionals to address day-to-day operations
- Creating Centres of Excellence across functions
- Investing in peak performance predictability

'Sab achhcha to chal raha hain. Why does Balrampur need to change?'

This was the first response I got when we indicated that what got us here may not get us there, when it came to defining the direction of where Balrampur Chini Mills needed to go.



In a governance-respecting world, there was a growing focus not on what we had achieved in a single year but whether the performance could be replicated year-on-year

Creating an institution

Over the last few decades, BCML has created a successful business marked by debt-lightness, operational efficiency and compliance. The Company is perhaps the only one in India's agri-sector to complete three buybacks with a cumulative payout of ₹421.67 crore. During this period, the Company was largely promoter-driven, complemented by units driven by their respective heads.

However, compelling this growth phase had been, there was a growing conviction that what worked for us in the past would not necessarily work for us in the future; what we had achieved in the past was the result of a set of realities that had since changed; in a governance-respecting world there was a growing focus not on what we had achieved in a single year but whether the performance could be replicated year-on-year; besides, there was a premium on process integrity over the outcome. These realities made it imperative for BCML to graduate beyond 'what was' to 'what could be'.

Priority

The new BCML expects to graduate from an organisation into an institution.

If there is just one word that could faithfully encapsulate what the Company of the future would like to become, it would be 'How.' This represents the core of our governance commitment, making processes more important than outcomes.

At BCML, we believe that a singular obsession on the 'What' has limitations: it indicates the selection of a strategy to address a certain market need of today that could be conveniently dispensed tomorrow; it indicates that one executive could perceive a market reality in one way and another executive in another plant seeing things completely differently at the same time; it indicates that the end is more important than the means; it indicates that one person sitting in one part of the Company could take a

large enough call to influence the entire organisation for the good or otherwise.

At BCML, we recognise that if we are to graduate from one level to another, we will need to build an organisational momentum where our actions are guided by a process backed by our business fit, terrain relevance and desired risk appetite. We believe that by graduating from a dependence on individuals to a responsible reliance on a system, we will have created a framework for business predictability, profitability and sustainability across market cycles.

Besides, the SOP-isation of BCML will decentralise decision-making closer to the points (shop-floor or otherwise) where such decisions need to be taken. Investment in process automation will enhance operational efficiency. Access to periodic feedback could strengthen process integrity. Selective investments could increase the efficiency of legacy manufacturing units towards the standard of relatively new units. A closer strategic networking between manufacturing units and the corporate office could strengthen a consolidated 'One Balrampur' personality across constituents.

Consensual decision making

The new BCML is creating a platform that makes it possible to aggregate consensual decision-making without compromising its entrepreneurial fabric.

In the conventional organisational architecture, most major corporate decisions would be taken by a handful of individuals with experience and knowledge.

In a reinventing organisation, we believe that there is room for a wider pool of knowledge to enrich the quality of centralised decision-making.

We believe that this centralisation will make it possible for us to achieve a number of things: integrate the knowledge and experience of diverse professionals, adequately represent all verticals in the strategic exchange and ensure that the active ferment of opinions helps us arrive at informed decision making.

Besides, this broadening of the strategic platform is a decisive initiative in extending BCML from a promoter-driven company to a professional-driven institution across the coming years where the senior management bandwidth is liberated to focus on strategic opportunities.

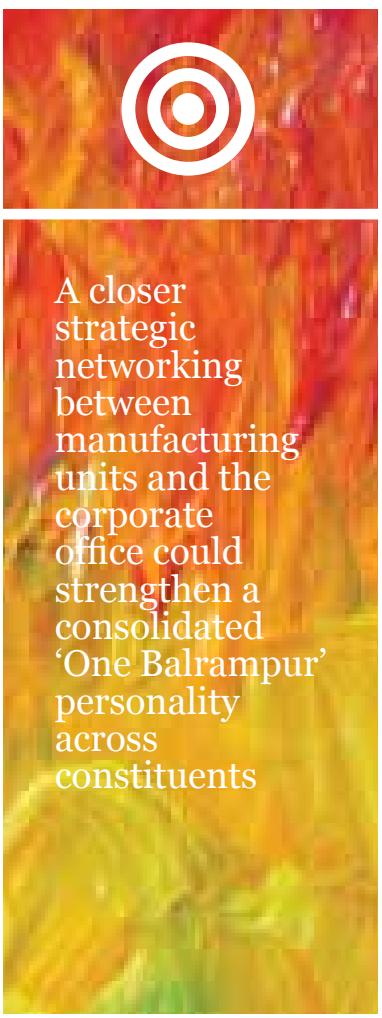
By the people, of the people

The new BCML will be influenced by how well we manage the single biggest resource available to us – not just how well we manage our people but by how well we manage the right people.

This places a priority on selective recruitment, strengthening our meritocracy and creating a transparent framework of performance capturing, appraisal, appreciation and remuneration.

We believe that by extending engagement appraisal from human opinion to a stable process, we would be enhancing their confidence in the organisation's objectivity and a standardised approach servicing as a common reference point. We believe that when we invest in the continuous training of our people, we would be inspiring a sense of trust. We believe that when we set up feedback capturing mechanisms of our people that can be escalated to the senior management, we would be strengthening a culture of involvement, ownership, continuous improvement and ideas aggregation from the grassroots for evaluation at the highest level of the organisation in the shortest time.

When all these realities come together, we will have laid the foundation to graduate to sustained outperformance, making BCML a great place to work in.



Deepening our DNA

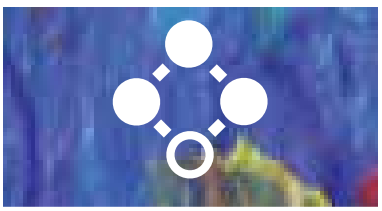
'Is this just a pipe dream? When will this transpire?'

To all the people who ask me this, my answer is that the DNA of much of this already exists within our Company.

At BCML, we have stuck to our knitting (manufacturing sugar and byproducts); we grew our manufacturing footprint and capacity without loading excessive debt on our books; we allocated our business surplus into growing our manufacturing breadth or shrinking our Balance Sheet through buybacks; we walked away from more business projects and proposals than we embraced.

This caution was validated when the government of India announced the export quota for 2019-20. Even as the Company could have waited in expectation of higher realisations, it liquated its allocated export quota, moderated its sugar inventory and enhanced cash flows, validating its focus on efficient manufacture and not 'playing' the market. The result is that even as the country may moderate its sugar inventory to around five and half months of consumption, BCML could end the sugar season 2019-20 with a closing stock of just two months of sales.

At BCML, we believe that sustainability in a commodity business is derived by achieving more with given resources. In line with this conviction, the Company is exploring additional models - contemplating the diversion of syrup to manufacture ethanol, which could moderate sugar output but enhance ethanol production.



At BCML, we believe that we owe much to the society where we work. When COVID-19 spread, we decided to manufacture hand sanitisers and distribute them free of cost to communities around our manufacturing units

Reviewing our 2019-20 performance

BCML reported a creditable performance in 2019-20.

It is expected that India's estimated 2019-20 sugar production would be 27 million tonnes, down by more than 20% from 2018-19 and the lowest in three years. The decline was largely due to lower cane planting following a drought in 2018 and floods in 2019, especially in Maharashtra and Karnataka.

Interestingly, mills in Uttar Pradesh produced around 12.6 million tonnes of sugar. The larger decline would be in Maharashtra, where production is estimated at about 6.2 million tonnes, against 10.72 million tonnes in 2018-19.

During the year under review, BCML crushed 102.03 lac tonnes of cane, compared to 110.36 lac tonnes in 2018-19. The Company achieved a sugar recovery in 2019-20 of 11.93% (after factoring in the sugar loss due to production of B-heavy molasses), compared to 11.58% in 2018-19. Around 38.3% of cane was diverted to produce B-heavy molasses for the production of ethanol. The sugar output sacrificed on account of a diversion to B-Heavy molasses was ~0.51 lac tonnes during the year. BCML correspondingly reported a 10.63% increase in revenues to ₹4741.29 crore while EBIDTA stood at ₹681.97 crore and Total Comprehensive Income stood at ₹502.27 crore. The Company generated ₹603.69 crore in cash profit in 2019-20.

The Company produced 11.67 lac tonnes of sugar during the year, which was 8.67% lower than the previous year, primarily owing to the diversion of cane to B-Heavy molasses. Average sugar sale realisation (including export sales realisations) was

₹30.34 per kilograms in 2019-20 against ₹29.55 per kilograms in 2018-19.

The Company produced a record quantity of ethanol during the year under review.

A new 160 KLPD was commissioned in January 2020. BCML bid for the entire available ethanol supply quantum.

The cogeneration business received a setback as the UPERC downward revised the tariff for co-generation power. The matter is under litigation and is lying with Hon'ble High Court.

Outlook

At BCML, some things will not change.

We expect to remain Balance Sheet-light. We will continue to focus on our core business. We will continue to de-risk our output from market volatility to the extent possible. We will strengthen our cane development activity. We will focus on enhancing operational efficiency.

We possess one of the largest cane crushing capacities in India; our ethanol capacity is the second largest in Uttar Pradesh and our co-generation capacity is the second largest in the state's sugar sector. The integration of these verticals provides us with a robust operating platform.

India reported an opening stock of 14.6 million tonnes on October 1, 2019, domestic consumption of 25 million tonnes, sugar exports of over 5.5 million tonnes and an estimated production of 27 million tonnes. The result is that India's closing stock as on 30th September, 2020, is expected to decline to around 11.1 million tonnes. If the government creates a buffer stock of 4 million tonnes for the next year, the net available sugar balance for market sale would decline to around 7.1 million tonnes.

During 2020-21, we expect to capitalise on a full year's working of our newly-commissioned distillery unit in Gularia. The sugar business is expected to drive cash flows through the liquidation of allocated sugar quotas (domestic and exports); the distillery business could emerge as a game-changer.

Overview

I believe that the enhanced stability and predictability of our business model could graduate us from a commodity-based positioning to a sugar-plus perception that enhances value in the hands of those who own shares in our Company.

Vivek Saraogi, *Managing Director*

What Niti Aayog Task Force had to say on India's sugar industry...

- Recommended a one-time increase in minimum selling price (MSP) for sugar to ₹33/kilograms (from ₹31/kilograms) to unburden mills
- Recommended a cap on farmer land use for sugar cane at 85% of the total holding
- Cess of ₹50/quintal (excluding exports) and cash incentive of ₹6,000/hectare for cane-growing farmers shifting to alternative crops
- Recommended that a revenue sharing formula needs to be introduced with a price stabilisation fund to protect farmers from realisations below the fair and remunerative price (FRP)
- Recommended the implementation of a scientific formula suggested by the C Rangarajan Committee with a marginal upward adjustment in sugar cane prices, keeping in view the improvement in recovery rates in the last few years

Staying conservative can be rewarding as well...

How BCML's conservative business model has been a win-win proposition for all stakeholders…

We could have acquired whatever acquisition opportunity came to us.	We selected to remain in our known territory and acquired assets commensurate with our managerial bandwidth instead.
We could have only reinvested in the business all the profit generated.	We paid a cumulative ₹421.67 crore through three buyback offers, ₹309.08 crore through dividends (including dividend tax) and repaid ₹726.12 crore of long-term loans in four years instead.
We could have 'played' the market to maximise profits	We liquidated our sugar inventory as and when we were allocated export quotas, maximising cash flows in the organisation instead.

730.74 ₹ crore	2488.10 ₹ crore	5	0.19
Payouts through three buybacks + dividends	Cumulative cash profit generated in five years ending 2019-20	Number of times the Company remained profitable in the past five years	Long-term debt-equity ratio as on 31st March 2020

We could have utilised profits singularly for corporate interest.

Instead we stringently adhered to the regulations.

We could have kept an open position in our forex transactions.

We hedged all our forex exposures, avoiding any kind of major foreign exchange loss.

We could have waited for the authorities to enhance environment-related regulations before investing deeper in compliance.

We proactively invested in incinerator boilers in our distilleries and made them zero liquid discharge plants instead.

Strengthening our cash flows in 2019-20...

With the operationalisation of the Company's newly commissioned distillery in Gularia comprising the B-Heavy ethanol manufacturing process, the Company diverted 38.3% of its cane crushed towards this process.

This helped in reducing sugar inventory on one hand, enhanced ethanol production and moderated working capital outlay

The Company recorded a recovery of 11.93% (without factoring in B-Heavy process cane diversion) compared to 11.58% achieved in 2018-19. However, after factoring the cane diverted towards B-Heavy process, the Company's recovery stood at 11.44% in FY2019-20.

During the year under review, BCML exported 2.61 lac tonnes of sugar as per the quota allotted by the government. This helped in strengthening cash flows.

The Company's cash flow from operations strengthened from a negative of ₹523.01 crore FY2018-19 to positive of ₹849.61 crore in FY2019-20

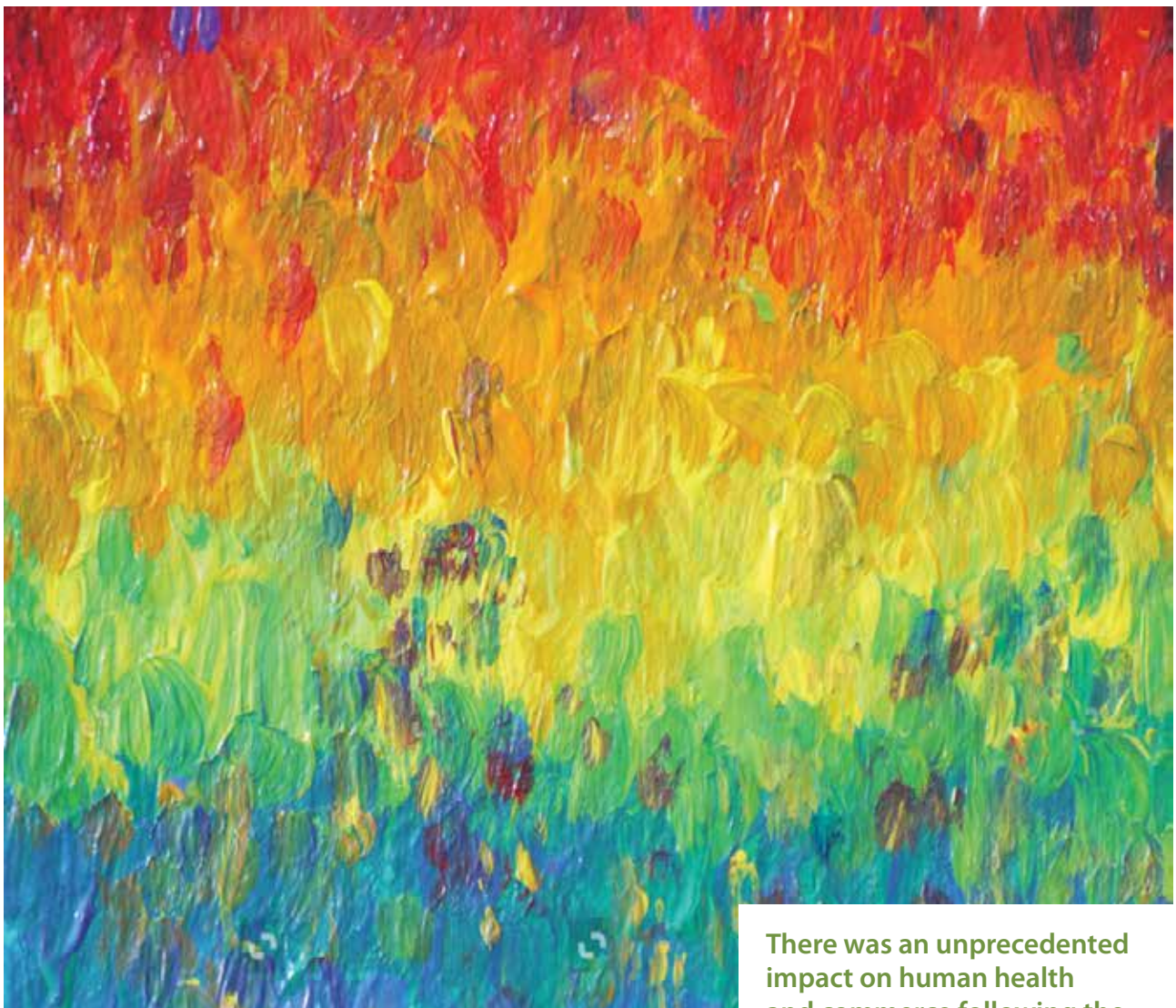
Our robust business model

BCML uses its six capitals and unique value-drivers to create value for stakeholders in a responsible and sustainable way

BCML develops strategic objectives to provide the foundation for its plan of action to achieve business goals	BCML is leveraging unique value drivers to effectively implement strategy and business activities
To provide quality products – sugar, ethanol and uninterrupted power	**Intellectual** • Enhanced process efficiency • Business acquisition and integration • Continuous quality improvement
To achieve strategic advantages through an integrated supply chain	**Manufacturing** • Complex manufacturing expertise • Forward integration advantages • Efficient and competitive manufacturing units
To provide a safe, challenging and rewarding environment for employees, making it a great place to work in	**Human** • Performance-driven and result-oriented environment
To practice good corporate citizenship	**Natural** • Protecting the environment
To create sustainable economic value for all stakeholders	**Financial** • Capital and funding • Cash generation activities

BCML is creating value through an integrated value chain	BCML provides quality products	BCML's outcomes that enhance long-term value for stakeholders
Cane development and procurement • Investment in command areas to develop good farming practices using early maturing seeds • Distribution of farming equipment and agri-inputs at subsidised rates • Timely cane procurement to ensure better recovery	**Sugar** Production of higher quality sugar of <100 ICUMSA	**Intellectual** High quality sugar manufacturer
	Ethanol Consistent supply of ethanol to oil marketing companies across the country for the ethanol blending program	**Manufacturing** ▸ Economic stimulation in the regions it operates ▸ Achieved a recovery of 11.93%
Manufacturing operations • Efficiencies achieved through superior operations management led by a highly experienced team • Optimisation of operational costs • Continuous improvement • Standardised operational procedures • Maximise integration synergies through efficient byproducts generation and timely diversion	Manufacturing ethanol through B-Heavy and C-Heavy processes	**Human** Employment and skill development opportunity to employees
	Co-gen Power co-generated through bagasse	**Social and relationship** Upliftment of communities around the areas where BCML operates
		Natural Initiatives to reduce the impact of operations on the natural environment
Commericalisation ▸ Sugar sales to retail customers and trade partners ▸ Ethanol supplied to OMCs ▸ Co-generation power supplied to the state electricity grid	Convert incinerator heat to capture potash and create potash-based manure; products supplied to farmers	**Financial** ▸ Generation of wealth to fund growth and expansion ▸ Contribution to governments through direct and indirect taxation ▸ Sustainable earnings growth and superior returns for shareholders

Impact of the COVID 19 pandemic on the operations



There was an unprecedented impact on human health and commerce following the outbreak of the COVID-19 pandemic the world over

India entered a period of complete lockdown from 24th March, 2020; the Indian sugar industry was permitted to crush cane on the grounds that sugar was categorised as an essential commodity. However, the sugar industry was affected by a shortage of intermediate products like lime, sulphur and polypropylene bags, among others. The government responded with speed to the needs of the sugar industry and permitted inter-state transportation of necessary materials like lime, facilitating virtually-uninterrupted operations.

BCML benefited from this government permission, continuing to crush seamlessly barring occasional challenges related to labour availability and a marginal increase in operating costs.

The Company was competently placed to address the problem given that a majority of the factory employees resided within adjoining colonies. Besides, the Company took adequate precautions comprising the use of masks, hand sanitisers and social distancing.

The principal challenges faced by the Company comprised a decline in institutional demand during the lock-down. However, as realities partly normalised once the lockdown was partially relaxed, the Company was able to exhaust its sales release quotas for March and April 2020.

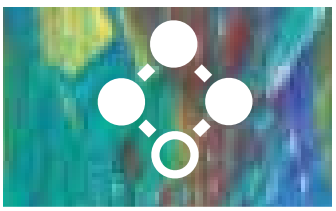
The demand decline of the first two months of the current financial year resulted in a higher inventory. Exports were affected during the lockdown following restricted truck movement, worker unavailability of at transit stops and port congestion. Besides, global sugar realisations declined owing to a higher cane quantum being diverted for sugar production in Brazil following a crash in crude oil prices. The result was that Indian sugar exports became unviable in the global market except to countries like Indonesia where Indian white sugar demand remained robust. In the subsequent months, realities normalised and exports resumed.

Similarly, ethanol demand declined in the initial lockdown period owing to restrictions in the pan-India movement of automobiles. The result was that spare ethanol storage capacity across different pan-India locations was consumed;, the government diverted supply to alternative storage locations and from May 2020 onwards, ethanol sales by sugar mills improved considerably.

The outcome of the crisis notwithstanding, BCML expects to largely protect its fundamentals owing to the support provided to the sugar business through the prevailing minimum support price.

Looking ahead, the ethanol business will continue to generate a surplus by the virtue of being delinked from crude oil prices. Besides, at a 10% blending rate, India requires 5.1 billion litres of ethanol against an installed capacity of around 3.85 billion litres, indicating an extensive under-supply.

As a responsible corporate citizen, BCML assisted the community proximate to its manufacturing operations. The Company manufactured hand sanitisers, distributed free to peripheral communities. The Company is presently manufacturing hand sanitisers for commercial and charitable purposes. It provided food packets for labourers and vehicle drivers arriving at its plants. It undertook to sanitise the local police station, railway station and bus stops for the benefit of citizens. It stood by employees and refrained from retrenchment or salary reduction.



The ethanol business will continue to generate a surplus by the virtue of being delinked from crude oil prices. Besides, at a 10% blending rate, India requires 5.1 billion litres of ethanol against an installed capacity of around 3.85 billion litres

Financial performance, 2019-20

CAPACITIES

Units	Sugar capacity (tonnes of cane per day)	Distillery (kilolitres per day)	Installed cogeneration capacity (megawatts)	Saleable cogeneration capacity (megawatts)	Agro (metric tonnes)
Balrampur	12,000	160	53.05	27.25	50
Babhnan	10,000	100	27.76	10.00	-
Tulsipur	7,000	-	9.50	-	-
Haidergarh	5,000	-	23.25	20.95	-
Akbarpur	7,500	-	18.00	11.00	-
Mankapur	8,000	100	43.60	30.00	100
Rauzagaon	8,000	-	25.75	23.00**	-
Kumbhi	8,000	-	32.70	23.00	-
Gularia	8,000	160*	38.86	20.00	-
Maizapur	3,000	-	6.00	-	-
Total	**76,500**	**520**	**278.47**	**165.20**	**150**

** Commissioned in January 2020.* ***During the season the saleable capacity is 16 MW*

FINANCIAL PERFORMANCE (₹ crore)

Particulars	March 2016	March 2017	March 2018	March 2019	March 2020
Revenue from operations	2,874.07	3,641.00	4,400.72	4,285.78	4,741.29
Other income	46.48	24.94	27.72	42.75	38.55
Total income	**2,920.55**	**3,665.94**	**4,428.44**	**4,328.53**	**4,779.84**
Stock adjustments	(136.23)	(419.52)	409.75	(538.36)	37.34
Cost of material consumed	2,112.54	2,576.85	3,064.88	3,595.41	3,464.15
Excise duty*	117.41	180.86	58.18	-	-
Gross profit	**826.83**	**1,327.75**	**895.63**	**1,271.48**	**1,278.35**
Overheads and all other expenditure	369.38	433.24	416.26	539.66	557.83
PBDIT	**457.45**	**894.51**	**479.37**	**731.82**	**720.52**
Finance costs	66.55	55.43	52.03	40.94	64.17
PBDT	**390.90**	**839.08**	**427.34**	**690.88**	**656.35**
Depreciation and amortisation expenses	110.11	104.94	95.16	95.85	101.42
Profit before tax and exceptional items	**280.79**	**734.14**	**332.18**	**595.03**	**554.93**
Exceptional items	173.10	-	-	-	-
Pre-tax profit	**107.69**	**734.14**	**332.18**	**595.03**	**554.93**
Tax	7.43	141.86	111.06	24.39	45.65
Profit for the year	**100.26**	**592.28**	**221.12**	**570.64**	**509.28**
Other comprehensive income (net of tax)	(0.38)	(3.63)	(4.55)	(5.14)	(7.01)
Total comprehensive income (TCI)	**99.88**	**588.65**	**216.57**	**565.50**	**502.27**
Equity capital	**24.50**	**23.50**	**22.84**	**22.84**	**22.00**
Reserves (excluding revaluation reserves)	**1,207.02**	**1,517.75**	**1,564.30**	**2,059.86**	**2,348.41**

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

VALUE-ADDED STATEMENT (₹ crore)

Particulars	March 2016	March 2017	March 2018	March 2019	March 2020
Income from operations	2,892.89	3,879.66	3,932.79	4,824.14	4,703.96
Add: other income	46.48	24.94	27.72	42.75	38.55
Value added	2,939.37	3,904.60	3,960.51	4,866.89	4,742.51
Less: cost of materials consumed	2,112.54	2,576.85	3,064.88	3,595.41	3,464.16
Less: other manufacturing expenses	218.43	252.33	213.57	309.20	303.84
Equals gross value-added	608.40	1075.42	682.06	962.28	974.51
Less: Depreciation and amortisation expenses	110.11	104.94	95.16	95.85	101.42
Less: Exceptional items	173.10	-	-	-	-
Equals net value-added	325.19	970.48	586.90	866.43	873.09
Allocation of net value-added					
To personnel	150.95	180.91	209.79	238.36	265.70
To taxes (including tax on dividend)	7.43	159.32	121.78	33.37	53.43
To creditors (via interest)	66.55	55.43	52.03	40.94	64.17
To investors (via dividend)	-	85.75	58.76	57.11	55.00
To investors (via buy-back)	-	175.00	99.00	-	147.67
To the Company (via retained earnings)	100.26	314.07	45.54	496.65	286.67

KEY FINANCIAL NUMBERS

Particulars	March 2016	March 2017	March 2018	March 2019	March 2020
Overhead/total revenue (%)	12.85	11.90	9.46	12.59	11.77
EBIDTA/total revenue (%)	14.30	23.88	10.26	16.08	14.38
Interest/total revenue (%)	2.32	1.52	1.18	0.96	1.35
Interest cover (times)	6.18	15.69	8.68	16.83	10.63
PBDT/total revenue (%)	13.60	23.05	9.71	16.12	13.84
TCI/total revenue (%)	3.49	16.27	4.92	13.19	10.59
Return on net worth (%)	8.88	44.42	14.33	31.74	23.11
Return on capital employed (%)	14.86	28.42	15.59	21.79	17.89

BALANCE SHEET RATIOS

Particulars	March 2016	March 2017	March 2018	March 2019	March 2020
Debt-equity ratio	0.56	0.13	0.08	0.18	0.19
Inventory turnover (days)	237	232	149	198	188
Current ratio	1.22	1.16	1.10	1.37	1.46
Quick ratio	0.18	0.09	0.14	0.31	0.31
Asset turnover (total revenue-total assets)	0.76	0.95	1.15	1.03	1.01
Fixed asset coverage ratio	2.08	6.92	11.72	3.91	3.65
Debt-service coverage ratio	1.22	7.99	2.71	9.90	6.10

GROWTH NUMBERS

Financial year	March 2016	March 2017	March 2018	March 2019	March 2020
Growth in turnover (%)	(7.08)	26.68	20.87	(2.61)	10.63
Growth in EBIDTA (%)	224.90	111.59	(48.06)	52.57	(1.03)
Growth in Total Comprehensive Income (%)	-*	490.74	(63.44)	161.12	(11.18)

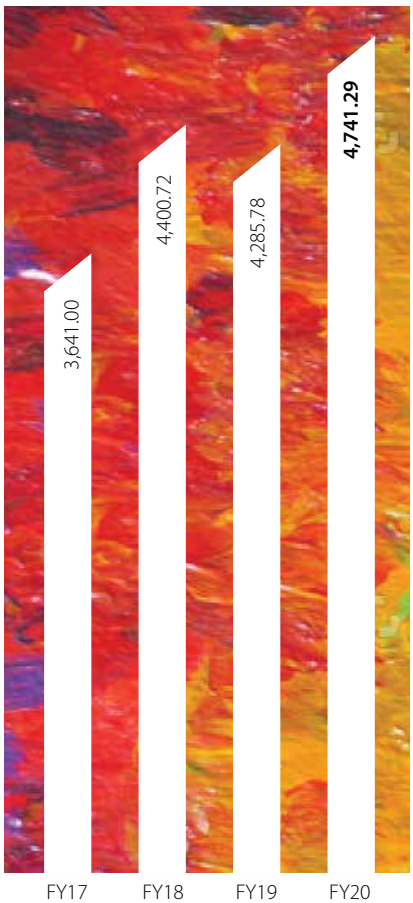
SHARE DATA

Particulars	March 2016	March 2017	March 2018	March 2019	March 2020
Basic EPS (₹)	4.09	24.26	9.41	24.98	22.98
CEPS (₹)	8.59	28.56	13.27	28.95	27.24
Dividend (₹)	-	3.50	2.50	2.50	2.50
Book value (₹)	50.28	65.58	69.48	91.17	107.75
Price earning (%)	26.35	5.99	8.04	5.49	4.53
Net indebtedness (₹) **	28.03	8.72	5.44	16.45	20.38

Loss to profit* * only on long-term borrowings*

Our financials

(₹ crore)



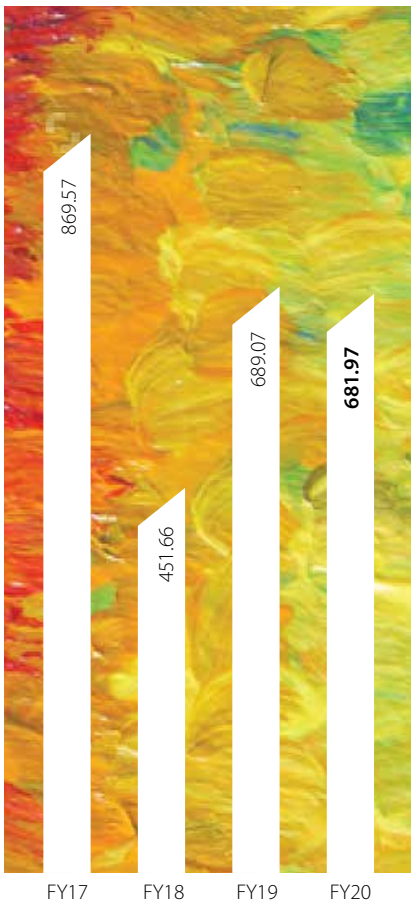
Revenues

Definition
Growth in sales

Why is this measured?
It is an index that showcases the Company's ability to optimise revenues, serving as an index of annual growth.

Performance
Revenues were higher by 10.63% to ₹4741.29 crore in FY20 on account of higher level of operations.

(₹ crore)

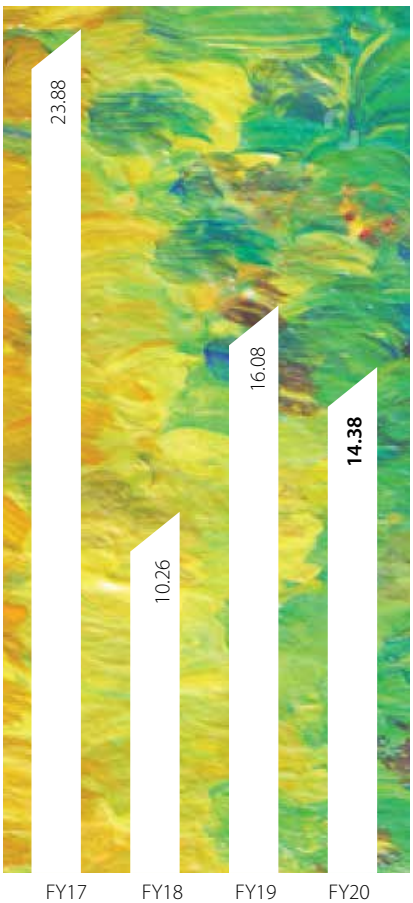


EBIDTA

Definition
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

Why is this measured?
It is an index that showcases the Company's ability to optimise business operating costs despite inflationary pressures, making it possible to compare with the retrospective average of sectoral peers.

Performance
The Company reported a decline in EBIDTA during the year owing to lower power realisations following a downward revision in power taiff by UPERC.



EBIDTA margin

Definition

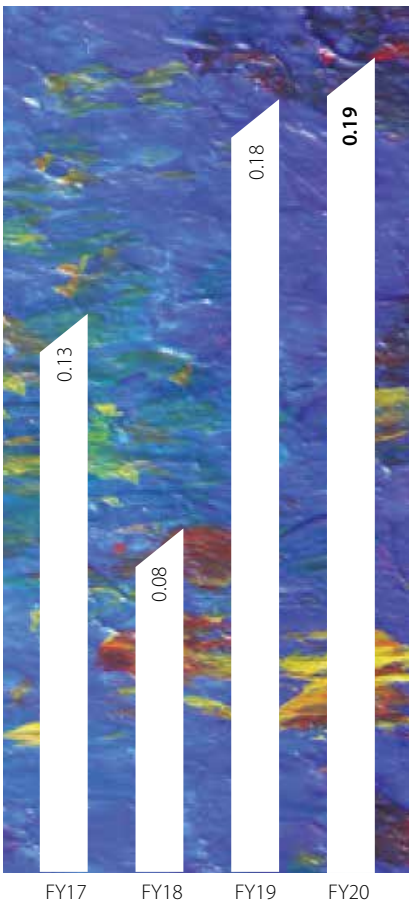
EBITDA margin is a profitability ratio used to measure the efffectiveness of Company's business strategy and operating efficiency

Why is this measured?

The EBIDTA margin provides an idea of how much a Company earns (before accounting for interest and taxes).

Performance

The Company's EBIDTA margin was lower by 170 bps owing to lower power tariff.



Gearing

Definition

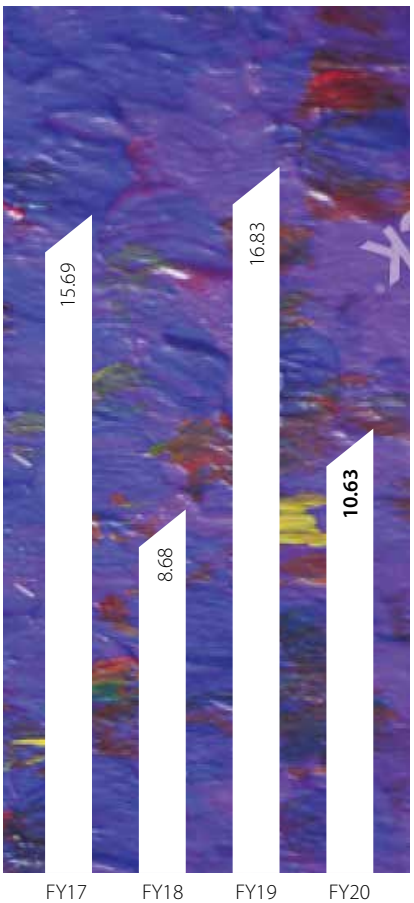
This is derived through the ratio of long-term debt to net worth

Why is this measured?

This is one of the defining measures of a Company's solvency.

Performance

The Company's long-term gearing at the end of the year was 0.19. Ideally this ratio should be read in conjunction with the Company's declining net debt, indicating a growing ability to pay back loans.



Interest cover

Definition

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

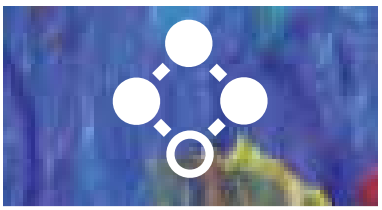
Why is this measured?

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

Performance

The Company's interest cover remained among the strongest in the industry.

Management discussion and analysis



According to UN, India emerged as the third most attractive investment destination after China and the US. The year also witnessed parliamentary elections with NDA government entering its second consecutive term.

Global economic overview

The pace of global economic activity remained weak in 2019 owing to a slowdown in the momentum of the manufacturing sector coupled with a global financial sluggishness. As a result, global growth was 2.9% in 2019, the lowest since 2008–09. The world appeared to be perched at the precipice of a recession in 2020 following the outbreak of the Covid-19 pandemic.

Review of the Indian economy

According to estimates of CSO, the Indian economy grew at an 11- year low of 4.2% in FY2019-20, compared to 6.8% in FY2018-19. This reflects muted corporate performance and subdued tax collection.

Manufacturing growth was seen at 2% year-on-year, a 15-year low as against 6.9% growth in FY19.

The nominal per capita net national income was estimated at ₹1,34,226 in 2019-20, up 6.09% from ₹126,521 in 2018-19. The government's fiscal deficit widened to 4.6% against the target of 3.8% because of declining revenues due to cut in corporate tax rates. Since February 2019, the RBI cumulatively cut rates by 135 bps five times in a row to 5.15%, the lowest since March 2010.

A sharp deceleration in economic growth and surge in inflation weighed on the rupee exchange rate with the Indian rupee becoming one of the worst performers among Asian peers, marked by a depreciation of nearly 2% since January 2019. Retail inflation climbed to a six-year high of 7.35% in December 2019, breaching the RBI's upper band of 6% for the first time since the Monetary Policy Committee.

Despite the slowdown, India was among the top 10 recipients of Foreign Direct Investment (FDI) in 2019, attracting $49 billion in inflows, a 16% increase over the previous year. The majority of this FDI went into service industries, including information technology; the country saw all-time high private equity investments at $49 billion in 2019, mainly on account of the infrastructure sector accounting for 30% of all investments by value in 2019 compared to 12% in 2018.

India emerged as the fifth largest world economy in 2019, overtaking the UK and France with a gross domestic product (GDP) of US$2.94 trillion. India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking.

According to UN, India emerged as the third most attractive investment destination after China and the US. The year also witnessed parliamentary elections with the NDA government entering its second consecutive term.

Key government initiatives

Corporate tax relief: The government reduced the corporate tax rate to 22% from 25% to promote investments; it announced a new tax rate of 15% for new domestic manufacturing companies, providing a boost to the Make-in-India initiative.

Outlook

The immediate outlook for the Indian economy appears uncertain in 2020-21 on account of the pandemic induced lock-down. However, the long-term outlook appears favourable: much of India's consumption is under-penetrated on a per capita basis and this reality could correct with speed over the foreseable future.

	Q1, FY20	Q2, FY20	Q3 FY20	Q4 FY20
Real GDP growth (%)	5.2	4.4	4.1	3.1

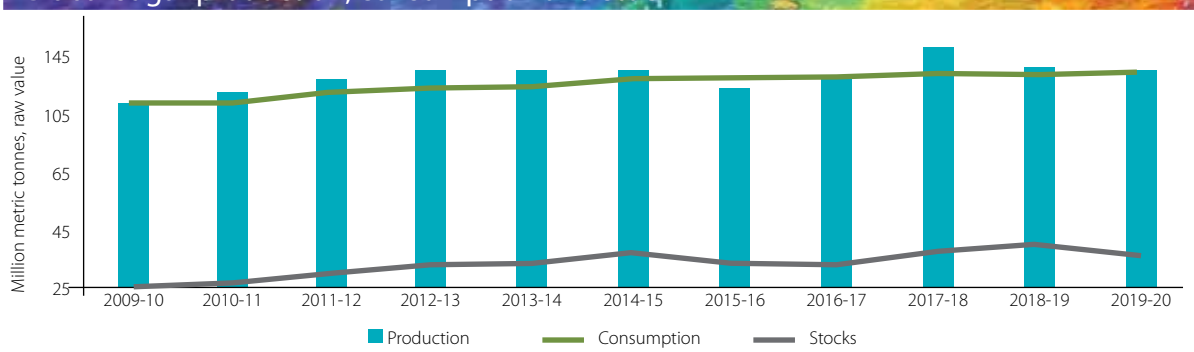
(Source: Economic Times, CSO, Economic Survey, IMF)

Overview of the global sugar industry

Global sugar production is estimated to fall to around 175.1 million tonnes, significantly below 184.9 million tonnes of sugar produced in 2018-19. The global sugar deficit forecast for 2019/20 is set to rise to a significant 7.5 million tonnes, compared to ~7.8 million tonnes two years ago. Global sugar consumption is estimated to rise 0.9% to 185.6 million tonnes, in part owing to the ongoing reformulation of beverages, particularly in sugar producing countries. Besides, the onset of the global pandemic is expected to stagger global consumption.

Global sugar prices are still trying to recover from a 10-year low in 2018. Realisations finished 2019 at 13.42 c/lb compared to 12.03 c/lb at the close of 2018.

Global sugar production, consumption and stock



Brazil: Sugar cane production and harvesting, which started in April 2019, ended with production slightly lower than the 2018-19. An estimated 594 million tonnes of sugar cane was crushed through the 2019-20 harvest. The sugar produced was approximately 28.5 million tonnes in 2018-19 to 27.5 million tonnes in 2019-20. Sugar exports in 2018-19 declined from 28.2 million tonnes in 2017-18 to 19.5 million tonnes; exports for the current season are estimated to drop to 18 million tonnes, which could be a 12-year low.

Thailand: For the 2019-20 crop there was a significant drop in sugar production from 14.9 million tonnes in 2018-19 to 8.4 million tonnes. Sugar exports from Thailand dropped to around 7.0 million tonnes from 11.4 million tonnes exported in 2018-19.

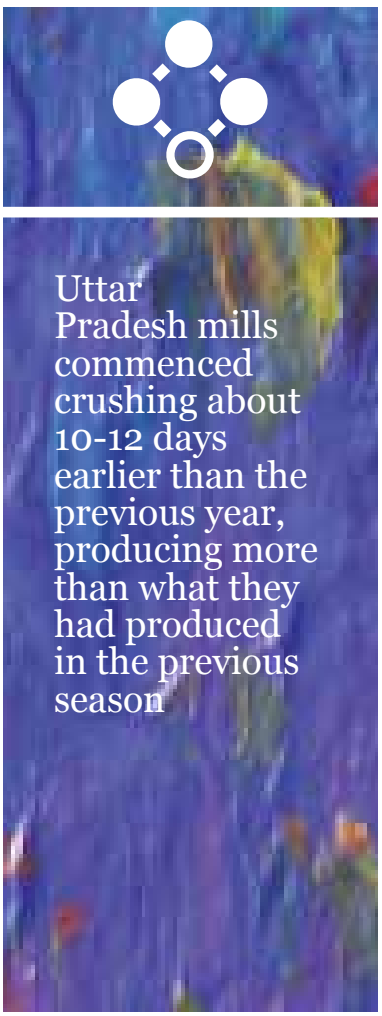
Indian sugar industry

India continues to be the second-largest sugar manufacturer in the world. During sugar season 2019-20, 457 sugar mills engaged in crushing operations as against 527 mills in the previous year. Around 268.2 lac tones of sugar was produced until 31st May 2020 as against 330 lac tones produced in the previous season. The production decline is largely attributable to a drop in sugar cane production across Maharashtra, Karnataka and other states.

In Uttar Pradesh, 119 sugar mills were in operation, producing 126.4 lac tones of sugar. Uttar Pradesh mills commenced crushing about 10-12 days earlier than the previous year, producing more than what they had produced in the previous season.

In Maharashtra, sugar production for season 2019-20 was around 61.61 lac tonnes compared to 107.08 lac tonnes produced during the same period in the previous season.

In Karnataka, 64 sugar mills produced 33.55 lac tonnes of sugar compared to 38 lac tonnes of sugar in the previous year.



India sugar Balance Sheet (in million tonnes)

Particulars	SS2018-19	SS2019-20
Opening balance (as on 1st October)	10.7	14.6
Estimated sugar production	33.2	27.0
Imports	0.0	0.0
Sugar availability	43.9	41.6
Estimated domestic consumption	25.5	25.0
Estimated exports	3.8	5.5
Closing balance (as on 30th September)	14.6	11.1

Exports

Sugar exports were permitted due to a bumper sugarcane production for two consecutive seasons – SS 2018 and SS 2019 – that resulted in ~10 million tonnes of sugar inventory being shipped.

The Cabinet Committee on Economic Affairs approved a lumpsum export subsidy of ₹10,448 per tonne of sugar to mills for sugar season (SS) 2020 or from October 2019 to September 2020. The

approval entailed an estimated expenditure of ₹6,260 crore for the government covering marketing costs, handling, upgrading, other processing costs, international and internal transport and freight charges on export up to 6 million tonnes (MT) of sugar, limited to the maximum admissible export quantity allocated to sugar mills for SS 2020.

Sugar price

The government announced a Fair and Remunerative Price of ₹275 per quintal of sugar cane at 10% sugar recovery with a premium of ₹2.75 for every 0.1% increase in recovery. India's ex-mill sugar prices are expected to remain stable within ₹31 per kilograms to ₹33 per kilograms even as production has declined. Sugar prices averaged between ₹31 per kilograms to ₹34 per kilograms during this sugar season supported by increased minimum selling prices (MSP) and lower sugar estimates for the season 2019-20 despite high sugar inventories.

Key government initiatives

Minimum selling price: With the objective to benefit sugarcane farmers and help clear cane arrears, the Union Government increased the minimum selling price (MSP) of sugar from ₹29 per kilograms to ₹31 per kilograms from February 2019.

Sugar cane price: The Central and State governments (like Uttar Pradesh) maintained FRP and SAP, protecting the prospects of sugar manufacturers.

Exports: The government provided millers with an export subsidy of ₹10,448 per tonne.

Buffer stock: The Central government announced a buffer stock of 4.0 million tonnes to take care of the excess inventory in the system on which holding charges in form of interest and insurance are being reimbursed.

Ethanol

The India ethanol market is projected to grow to $ 7.38 billion by 2024, catalysed by a CAGR of 14.50% during 2019-2024. The Government plans to enhance ethanol production to 9 billion litres from 3.55 billion litres by 2022 complemented by a fuel blending rate of 10% by 2022. To achieve this target, the Government provided an approval to 362 new ethanol plants to add 5.5 billion litres of installed capacity for an investment of ₹18,000 crore.

Ethanol can now also be produced directly from cane juice and from B-Heavy (BH) molasses in addition to the conventional route of production through C-Heavy (CH) molasses. The price of ethanol from sugarcane juice was fixed at ₹59.48 per litre; ethanol extracted from B-Heavy molasses was priced at ₹54.27 per litre; the price of ethanol extracted from CH molasses was fixed at ₹43.75 per litre. India requires 5.11 billion litres of ethanol to address its 10% blending target. In 2019-20, oil companies signed contracts for 1.7 billion litres; contracts of an additional 200 million litres are in the pipeline. The country enjoys an ethanol demand of 5.11 billion litres from oil marketing companies. On account of a decline in sugar production during the year, only 5.6% of the ethanol blending could be achieved in 2020.

India: Ethanol used as beverage, fuel, and other industrial chemicals (million litres)

Calendar year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Beginning stock	112	125	33	60	60	75	61	128	146	222
Production	1522	1681	2154	2057	2002	2292	2061	1671	2693	3000
Imports	144	61	5	108	193	204	432	718	633	750
Exports	53	119	177	233	180	165	136	141	130	100
Consumption	1600	1715	1955	1932	2000	2345	2290	2230	3120	3820
Fuel consumption	50	365	305	382	350	685	1110	675	1600	2400
Ending stocks	125	33	60	60	75	61	128	146	222	52
Production capacity										
Number of refineries	115	115	115	115	115	160	161	161	166	166+
Nameplate capacity	1500	1500	2000	2000	2000	2100	2210	2215	2300	2600
Capacity use (%)	101	112	108	103	100	109	93	75	117	115
Co-product production (1000 MT)										
Bagasse	87690	102714	108309	102360	105642	108699	97485	79176	120422	112640
Press mud	11692	13695	14441	13648	14086	14493	12852	10438	15876	14850
Feedstock use for fuel (1000 MT)										
Molasses	208	1521	1271	1592	1458	2854	4625	2813	6667	9600
Market penetration (Litres)										
Fuel ethanol	50	365	305	382	350	685	1110	675	1600	2400
Gasoline	19563	20716	21842	23749	25848	29651	33265	35956	39015	41596
Blend rate (%)	0.3	1.8	1.4	1.6	1.4	2.3	3.3	1.9	4.1	5.8

[Source: https://apps.fas.usda.gov/newgainapi/api/report/downloadreportbyfilename?filename=Biofuels%20Annual_New%20Delhi_India_8-9-2019.pdf]

Co-generation

Sugar cane is one of the most promising agricultural sources of biomass energy. Sugar cane yields two kinds of biomass (sugarcane trash and bagasse). Bagasse is the fibrous residue left after milling sugarcane with 45-50% moisture content and a mixture of hard fibre with soft and smooth parenchymatous (pith) tissue with high hygroscopic property.

For every 100 tonnes of sugar cane crushed, a sugar factory produces nearly 30 tonnes of wet bagasse. Bagasse is used as a primary fuel source by sugar mills. When bagasse is burned, it produces sufficient heat and electrical energy to supply sugar mill needs. The carbon dioxide emitted on burning the bagasse is equal to the amount of CO_2 that the sugarcane plant has absorbed from the atmosphere during growth, making cogeneration greenhouse gas-neutral.

About 158 bagasse co-generation (simultaneous production of electricity and thermal energy in sugar mills) projects were commissioned to generate 1666 MW of surplus energy in 2019.

Sugar

4513.11

₹ crore, **Revenues, 2019-20,** ₹3821.59 crore in 2018-19

81.69%

Proportion of overall 2019-20 revenues from sugar
(77.78% in 2018-19)

Overview

Balrampur Chini Mills is the second largest sugar manufacturing company in India with a cumulative crushing capacity of 76500 tonnes of cane per day.

The business is the largest within the Company and a platform that generates value for downstream businesses like ethanol and co-generation. Over the years, the Company has earned respect for being one of the most efficient sugar manufacturers on the one hand and delivering among the best sugar quality standards on the other.

The Company has eight manufacturing plants in Eastern Uttar Pradesh and two in Central Uttar Pradesh. Most plants are proximate, facilitating economies of cane procurement, resource transfer and logistics.

Strengths

Scale: The Company is among the largest sugar manufacturers in Uttar Pradesh, capitalising on superior economies of scale.

Geography: The Company's manufacturing units in the Eastern and Central Uttar Pradesh has superior cane quality.

Cane management: The Company facilitates the availability of superior seeds and quality agri-inputs to farmers, resulting in superior cane quality and one of the best recoveries in Uttar Pradesh.

Evangelist: The Company is encouraging mechanised farming in exchange for better yields.

Energy reduction: Process efficiency helped the Company moderate energy consumption.

Quality: Efficient operations and stringent quality checks enabled the Company to produce superior sugar quality, commanding better realisations

Farmer-friendly: More than 90% of the Company's command area is covered with early maturing seeds.

Operational highlights, 2019-20

- Crushed 102.03 lac tonnes of cane (110.36 lac tonnes in 2018-19)
- Achieved sugar recovery of 11.93%, compared to 11.58% in 2018-19
- High recovery was driven by plant efficiency, effective cane management and growing coverage of early-maturing cane varieties
- Initiated cost optimisation projects across plants
- Undertook cane development, enhancing yields in command areas
- Exported 2.6 lac tonnes of sugar (revenues of ₹548.68 crore)

Road ahead

The Company will continue to engage in cane development to improve its operations and efficiencies.

Operational summary

CANE CRUSHED (lac tonnes)

Location	March 2016	March 2017	March 2018	March 2019	March 2020
Balrampur	12.02	12.34	13.61	16.17	15.46
Babhnan	8.77	9.84	10.11	13.00	11.75
Tulsipur	7.11	6.25	7.04	9.22	8.11
Haidergarh	3.31	3.75	4.89	5.10	4.70
Akbarpur	7.14	7.51	8.65	11.36	10.24
Rauzagaon	5.62	6.92	8.16	9.12	9.02
Mankapur	7.69	8.43	9.20	11.43	10.17
Kumbhi	10.01	10.48	13.90	15.64	13.58
Gularia	9.79	10.75	13.35	15.06	14.30
Maizapur	2.79	3.19	3.87	4.26	4.70
Total	**74.25**	**79.46**	**92.78**	**110.36**	**102.03**

SUGAR PRODUCED (lac tonnes)

Location	March 2016	March 2017	March 2018	March 2019	March 2020
Balrampur	1.30	1.28	1.44	1.86	1.70
Babhnan	0.97	1.00	1.03	1.41	1.30
Tulsipur	0.76	0.65	0.73	0.99	0.91
Haidergarh	0.34	0.36	0.48	0.56	0.52
Akbarpur	0.78	0.76	0.91	1.29	1.22
Rauzagaon	0.61	0.75	0.90	1.09	1.08
Mankapur	0.85	0.84	0.95	1.30	1.09
Kumbhi	1.17	1.24	1.64	1.93	1.70
Gularia	1.14	1.26	1.56	1.84	1.57
Maizapur	0.30	0.33	0.42	0.51	0.58
Total	**8.22**	**8.47**	**10.06**	**12.78**	**11.67**

Distillery

549.09

₹ crore, **Distillary revenues, 2019-20,** ₹467.70 crore in 2018-19

9.94%

Proportion of overall 2019-20 revenues from distillary operations
(9.52% in 2018-19)

Overview

BCML entered the distillery business in 1996.

The Company has commissioned four distilleries (Balrampur, Babhnan, Mankapur and Gularia) with a cumulative production capacity of 520 KLPD ; it is primarily engaged in the production of industrial alcohol and ethanol. The Company's distillery capacity is dedicated to the manufacture of ethanol. The Company converts a majority of rectified spirit produced in the distilleries into ethanol, empowering it to service OMC contracts. These large contracts are backed by improved realisations, helping the Company generate superior revenue visibility, bottomline and performance.

The 160 KLPD distillery at Gularia commenced operations in January 2020, selecting to manufacture ethanol through the B-Heavy route.

Strengths

Balanced: The Company manufactures ethanol from C-Heavy and B-Heavy routes, enhancing its flexibility to address respective government tenders.

Scale: The Company possesses a capacity of 520 KLPD, resulting in economies of scale and the ability to consume all captively produced molasses.

Caring: The Company proactively invested in environment management initiatives to minimise the impact of distillery operations on the environment. It installed incinerator boilers in its distillery to make operations ZLD and increase distillery operating days.

Ethanol: The Company focused on manufacturing ethanol with assured offtake by oil manufacturing companies

Operational highlights, 2019-20

- Generated ₹549.09 crore in revenues (₹467.70 crore in the previous year)
- Marketed 10.92 crore bulk litres of ethanol (10.79 crore bulk litres in the previous year)
- Average blended realisations stood at ₹44.69 per ltr in 2019-20 against ₹41.29 per ltr in 2018-19.
- Distillery operated for higher number of days in 2019-20 owing to a higher availability of molasses

Road ahead

The Company expects to improve operational efficiencies and scale output from its Gularia facility during the financial year 2020-21. The newly installed capacity is expected to help the Company bid for larger quantities and achieve nearly 95% capacity utilisation.

(in crore bulk litres)

Alcohol	March 2016	March 2017	March 2018	March 2019	March 2020
Alcohol production (including Ethanol, ENA etc.	7.06	7.22	8.10	10.66	12.76
Alcohol sales	6.47	6.92	8.07	11.10	11.93

Co-generation

450.50

₹ crore, Co-generation **Revenues, 2019-20,** ₹615.83 crore in 2018-19

8.15%

Proportion of overall 2019-20 revenues from co-generation
(12.53% in 2018-19)

Overview

Balrampur entered the business of power co-generation in 2003, incentivised by the attractive long-term tariff revised upwards every few years on the one hand and tax-free revenues on the other. Besides, the business made a complete utilisation of bagasse generated through sugar manufacturing, providing raw material at no cost to the Company.

Over the years, the Company commissioned aggregate saleable cogeneration capacity of 165.20 megawatts. Of the total power generated, the Company consumes nearly 37% within and markets the rest to the state electricity grid.

The UP Electricity Regulatory Commission (UPERC) announced a 35% reduction in the tariff payable to the cogeneration units in the state to the state electricity board. The proposed tariff cut is expected to affect revenues for integrated sugar manufacturing companies (the matter is sub-judice). Owing to the reduction in power tariff, the Company has started exploring selling bagasse instead of its in-house consumption in captive power plants.

Strengths

Scale: The Company created a saleable cogeneration capacity of 165.2 MW after addressing captive needs.

Operational highlights, 2019-20

- Generated 90.24 crore units of power (104.97 crore units in the previous year)
- Exported 52.61 crore units to the state electricity grid (66.38 crore units in the previous year)
- Average realisation stood at ₹3.06 per unit in 2019-20 against ₹4.94 per unit in 2018-19

Road ahead

The Company will focus on improving plant efficiencies with the objective to report a higher plant load factor.

(in crore units)

Power	March 2016	March 2017	March 2018	March 2019	March 2020
Power generation	74.69	75.37	87.41	104.97	90.24
Power sales	53.07	51.05	56.80	66.38	52.61

How we have generated a larger cane quantum across the years

Overview

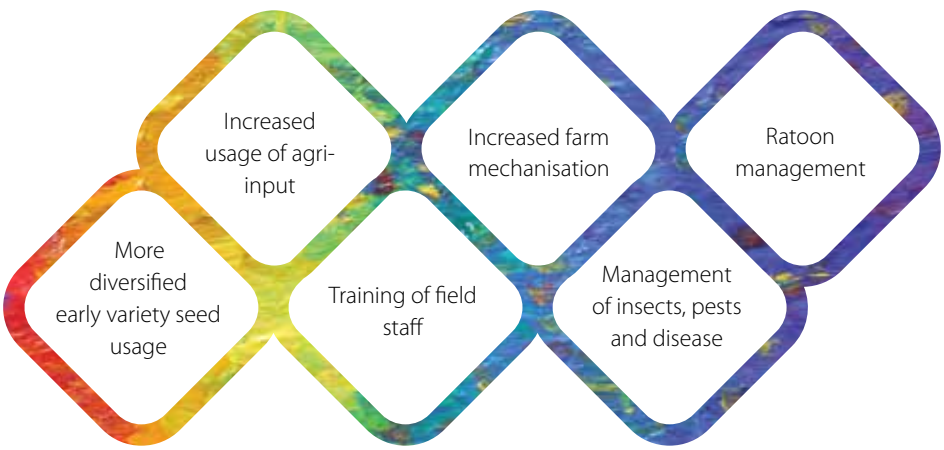
Cane availability and quality play critical roles in the success of a sugar business; cane availability helps optimise production whereas cane quality influences mill recovery.

The Company made the farmer's prosperity its principal objective. It engaged in cane development, examined cane varieties, identified one to suit the Uttar Pradesh topography, recommended this selection to farmers and persuaded most to graduate from their long-standing variety to the one suggested. Besides, the Company provided subsidised seeds, monitored planting and cane growth until harvest. The result was that the new variety delivered a superior cane yield and recovery – a win-win.

Conventionally, the Company utilised prevailing and popular cane varieties across compacted command areas. The overall focus lay in protecting cane output from pests and increasing cane coverage across its command areas.

A few years ago, BCML introduced a new dimension in its command areas: the Company made the farmers acquainted with C0 238, a superior and early-maturing cane variety. The Company advocated its use, showcased its robustness on captive demonstration farms, strengthened its cane development team assigned with the objective to evangelise its planting and implemented a number of forward-looking practices that enhanced yields. The team assisted farmers in providing superior seeds and agri-inputs at subsidised costs and farm equipment. Besides, it introduced better farming practices including ratoon management that translated into higher yields, income and multi-year prosperity.

BCML's cane development comprised the following objectives



Friend, philosopher and guide

BCML's engagement with the farmer is like a friend-philosopher-guide positioned to maximise farmer value. The result is that the Company has, through various interventions, emerged as the farmer's go-to agency for advice, support and guidance. This positioning has been facilitated by the Company's capacity to advise farmers on what kind of cane variety to use and remunerate the farmer around a standard payment cycle, strengthening the farmer's trust and cash flow. The result is an unquestioned farmer trust in the Company's judgment, resulting in a seamless alignment between farmer and corporate interests.

Increased farm mechanisation

Farm mechanisation was negligible in BCML's command areas for two reasons: low equipment accessibility and

conventional mindsets. The farmer used traditional planting equipment but with awareness, the use of farm mechanisation equipment is growing. BCML facilitated this transition through encouragement to local entrepreneurs in purchasing model technology agri-implements for providing other growers of the area the agri-implement services on a custom hire basis and reasonable charges, training farmers in superior plantation techniques. The Company trains farmers in trash mulching that enhances soil fertility.

Increased use of agri-inputs

The quality and availability of agri-inputs catalyse crop yield and health. A number of years ago, farmers in BCML's command areas consumed average products with erratic outcomes. BCML made a timely intervention to assist farmers make informed decisions through standardised products and processes; the Company conducted soil tests across farms to ascertain specific needs. It appointed a vendor to provide quality inputs at subsidised costs, strengthening cane yields. Besides, the Company engaged in forecasting studies, providing farmers with agrochemicals to protect crops from probable pest attacks.

Ratoon management

The ratoon crop was regarded as a bonus crop, offering a lower cultivation cost by 20-30% as it obviated the need for seed material. Owing to this, growers gave little care to the ratoon crop, thereby generating lower recovery and yield. As ratoon management is relatively less prevalent in Eastern Uttar Pradesh, the Company provided training to farmers to enhance the ratoon crop across its command areas, enhancing cane output by promoting a trash mulcher machine and ethophon chemical for improving ratoon sprouting and sustaining soil health as well as enhancing output. A ratoon yield competition programme was launched for healthy competition among cane growers for getting a better ratoon yield. Total integrated ratoon management practice was suggested to growers, which not only resulted in increased yields to growers but also increased recovery.

Management of insects, pests and disease

The management of insects, pests and disease is of utmost importance to achieve sustainable performance since its incidence directly impacts not only the yield of sugarcane but also the sugar recovery. The Company follows not only a proactive and preventive approach but the crop is monitored in the entire life cycle right from sowing to harvesting for managing insects, pests and disease.

Major steps included:

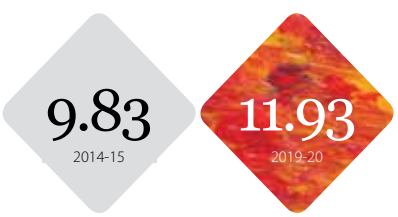
- Soil treatment to manage soil-borne pathogens like red rot, wilt, root rot etc. Application of agri-inputs to manage the infestation of termite and root borer.
- Management of soil borne and insects borne diseases as well as termite insect with seed treatment in hot & normal water. Rogueing of red rot affected plant and spot application of bleaching powder was done to manage Red rot spread.
- Overall management of red rot and smut disease by foliar spray.
- Managing the infestation of termite and root borer in the standing crop after rain.
- Management of various borers viz. early shoot borer, top borer, root borer etc.
- Management of other pests and disease as per occurrence by using recommended pesticides and fungicides through foliar spray.

Seed diversification

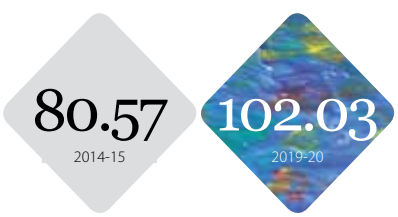
The Company covered more than 90% of its aggregate command areas with the superior early variety. As a proactive precautionary measure, the Company identified other early maturing cane varieties for future seed multiplication programme, ensuring that there is proper varietal balance of high yielding sugarcane varieties.

Field staff training

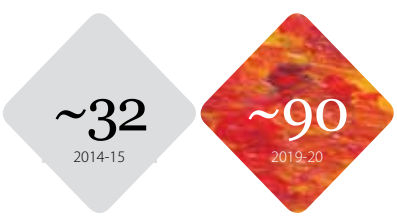
Field training drives sugar cane yield and quality comprising the use of modern practices. This training helps widen the bandwidth of the Company's field staff, making them the first points of reference whenever a farmer seeks to have field issues addressed with immediacy and informed inputs.



Achieved sugar recovery (%)



Cane crushed (lac tonnes)



Early maturing cane variety (%)

Yield in command area (quintal per acre)

Farmers addressed (lacs)

How we are investing in our people to create a new company

Overview

Human resource management at BCML is all about exploring knowledge, building a culture, developing and enhancing skills and creating an environment of learning and reinventing oneself.

Over the recent years, BCML's endeavor has been to formulate a structured human resource framework to catalyse organisational growth. The human resource journey is based on four key pillars: talent acquisition, performance management, training & development, and talent development.

Talent acquisition (Recruitment, selection and induction): The talent acquisition process takes every possible measure (like screening / multi-layer selection / background verification/ cultural orientation etc) to map the right talent for the right role. BCML has created a recruitment panel, helping organisation-wide engagement without candidate bias, resulting in better cultural assimilation and organisation-centric knowledge.

Performance management: BCML has invested in a well-accepted Performance Management System, which is performance and competence-driven. The defined key result areas (KRA) are directly/ indirectly linked to business goal. The PMS policy is designed in a manner that every employee is evaluated based on her/ his contribution to the final goal. There is a constructive discussion based on mid-year performance analysis with key team members. This is followed by a well-designed annual appraisal process across the group, which helps in a continuous analysis that helps bridge the gap between the desired and actual output.

Training & development: Skill development in BCML is a continuous process. BCML developed a structured training needs Identification process followed by specialised technical/ functional training by external /internal experts. Leadership workshops were organised in line with the competency matrix of organisation. A post-training effectiveness feedback mechanism ascertained the impact of the training and workshops. Specialised workshops were conducted in collaboration with external expert agencies to obtain vision and goal alignment between the corporate and unit teams. The leadership team of the organisation was sent to premier Institutes to attend leadership training and coaching programmes.

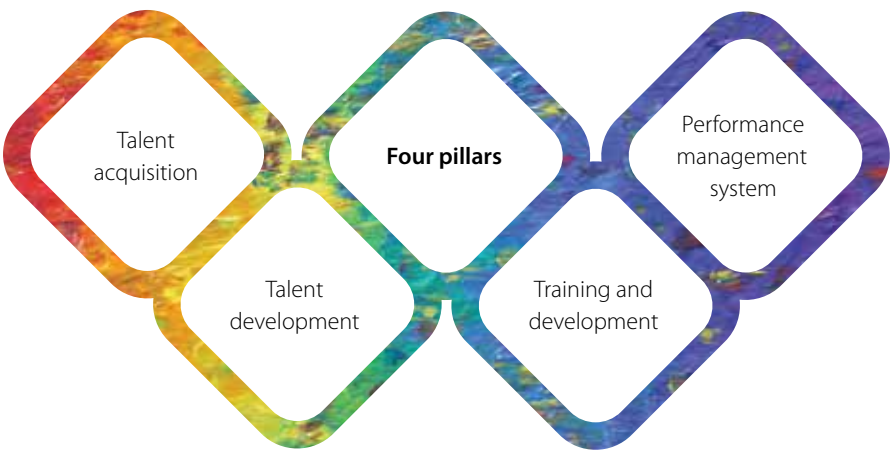
Talent development: Talent development is an area attracting BCML's focus. BCML invested in multiple initiatives like designing a well-defined KRA / performance-driven PMS to identify talent across the group. Ongoing initiatives like Hipot Model (Hi Potential) and GT (Graduate Trainee) development will create a significant talent pool.

The BCML management also takes initiatives in adding value to the top performers by educating and training them through management-driven programs from institutes like IIM /XLRI.

Policies: BCML has multiple employee benefit policies like Vehicle Policy, Furniture Policy, Club membership benefits, Mediclaim Policy for family / Mobile Policy/ Employee Yearly Health Check facilities etc.), strengthening the retention of employees.

Employees

Four pillars of BCML's HR management



How an increasingly digitalised platform is transforming our company

Overview

With 10 units crushing cane from lakhs of farmers, it became cumbersome to track each function across units. As a result, the units created independent businesses. There was a premium on operating standards and reports. The result: each unit worked in a silo and the best practices were hard to implement. Besides, the data generated in a unit would not help in organisation-wide decision making.

This created a room for digital interventions that would transform a conventional business into a modern one.

In 2014, the Company implemented SAP ERP to replace indigenously developed accounting software. The introduction of SAP enhanced standardisation around a common platform, strengthening systematic uniformity that enhanced information flow and decision making.

Key initiatives, 2019-20

Though IT automation was in its early stages, the Company identified intervention areas to reduce costs and enhance process efficiency.

The Company embarked on a pilot project in the area of plant maintenance and spares management at one of its manufacturing plants: to capture equipment-wise and spares-wise data. It is expected that in the event of equipment failure, the fault can be traced leading to necessary spares across the Company's various facilities, moderating time and costs and inspiring optimal stocking. The Company is training employees in data management and analysis with the objective to scale to other plants.

- The Company plans to introduce SOPs of various functions; SOP compliance will be monitored through a tamper-proof online dashboard at the corporate office; besides, SOP-wise and plant-wise data is expected to facilitate informed decision-making.
- The Company introduced software to document cane development; employee-wise data of field officers is captured and tracked around a format and handheld devices, helping the Company generate accurate geo-tagged data.
- The Company upgraded its SAP HANA system to the latest generation during the year under review; one of the first few companies in India to do so in sugar sector. It has moved from an on-site server to a cloud server, enhancing security.

The Company strengthened centralised anti-virus monitoring; updates are monitored centrally to ensure that no machine within the system skips a crucial update and becomes vulnerable.

Road ahead

Going ahead, the IT team will work on the effective implementation of the pilot project, creating a cultural shift within the Company.

How we have reinforced our positioning as an environmentally responsible player

Overview on Environment Management and Sustainability

There are a growing number of manufacturers globally who are realising the importance of a business model that synthesises financial and environmental benefits through sustainable business practices and responsible manufacturing techniques.

There are stringent environmental regulations to address global environment challenges.

It is the responsibility of manufacturers to catalyse responsible business practices with the view to curb resource depletion, water scarcity, pollution and other harmful effects their manufacturing practices may have on the environment. Responsible enterprises are thus channelising their manufacturing processes through sound models that moderate energy consumption and reducing the negative impact on the environment, while enhancing employee, community and product safety.

BCML's sustainable development is directed to address the needs of today without compromising the ability of succeeding generations.

The United Nations' sustainability principles

The United Nations has outlined 10 principles for responsible manufacturing leading to environmental sustainability

Human rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: Make sure that they are not complicit in human rights abuses

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: The elimination of all forms of forced and compulsory labour

Principle 5: The effective abolition of child labour

Principle 6: The elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environment friendly technologies

Anti-corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

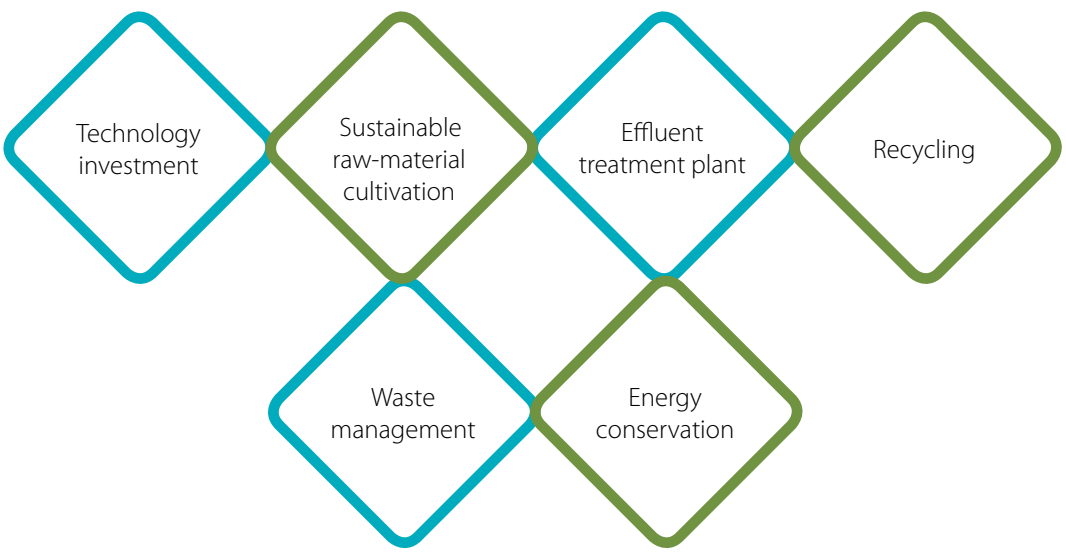
Sustainability at BCML

BCML has invested in sustainable initiatives to reinforce its respect as responsible corporate. The conventional method of sugar manufacturing has been marked by environmental risk. The process warrants the use of extensive steam, molasses (by-product) and bagasse (by-product). Molasses is harmful for the environment and can affect the aquatic ecosystem if not treated prudently, whereas bagasse is flammable and requires cautious management.

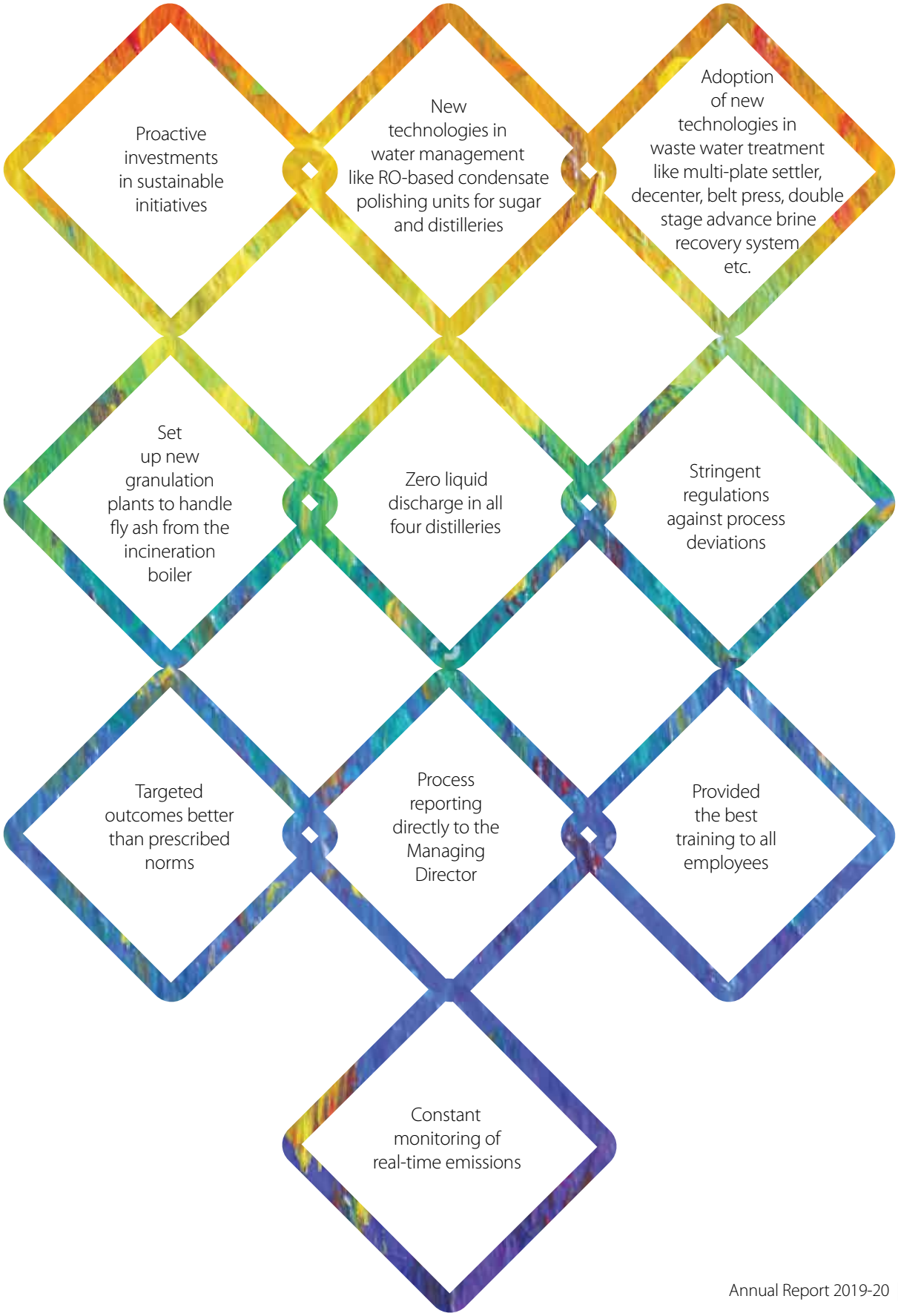
BCML's sustainability focus

The focal point of the Company's operating policy is an integration through which the by-product of one process serves as raw material for another. This has enabled the Company to optimise resource utilisation while reducing waste disposal and logistics cost. Over the years, the Company made proactive investments in multiple areas with the objective to moderate carbon footprint and costs, strengthening long-term sustainability.

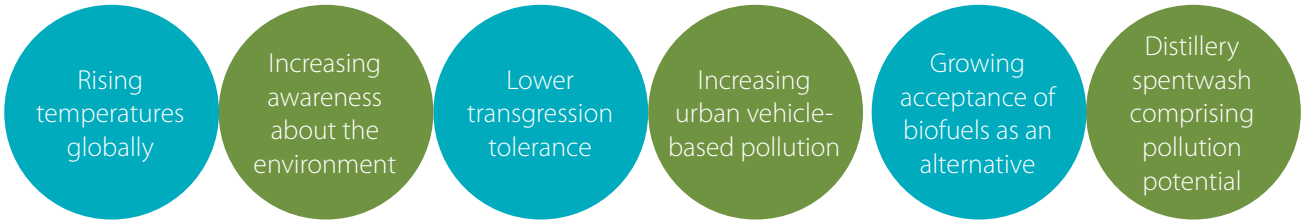
BCML's integrated environment focus



How BCML responded



Why is environment management important?



BCML's sustainable initiatives

At BCML, our overarching principle has extended from mere regulatory compliance to forward-looking environment management. The Company has undertaken various initiatives to enhance environment integrity.

Sustainable Sugarcane Initiative

The Sustainable Sugarcane Initiative (SSI) is a novel approach towards intensive sugarcane production, following the principle of 'more with less', similar to the SRI (System of Rice Intensification) technique of rice cultivation. SSI improves the productivity of water, land and labour, while also reducing the overall pressure on water resources.

The Sustainable Sugarcane Initiative (SSI) method of sugarcane production uses less seeds, less water and guarantees an optimum utilisation of fertilisers and land to achieve greater yields. Driven by farmers, SSI is an alternative to conventional seed, water and space intensive sugarcane cultivation.

India's sugar production Vision 2030

With a vision to improve cane productivity using sustainable methods and contributing to the country's food and energy needs, the industry has been exploring available options.

Sugar consumption in the next five years is expected to touch 36 million tonnes due to improved domestic supply and strong demand. The population in the country is set to reach 1.50 billion by 2030 at the present compound growth rate of 1.6% per annum. The projected requirement of sugar for domestic consumption in 2030 is 36 million tonnes. To achieve this target, projected sugarcane production of 500 million tonnes warranted an annual increase by 7 -8 million tonne. The increased production needs to be achieved from the existing cane area through improved productivity (> 100 t/ha) and sugar recovery (> 11%) Since, further expansion is not feasible, there is a premium on enhancing cane yield in a sustainable way.

Waste management

Industrial waste generation

The fundamental objective of solid waste management is to minimise pollution and utilise waste as a resource. These goals need to be ideally achieved in a way that is financially sustainable and involve minimal risk.

Waste minimisation and waste management have so far not been given their due attention. Industries are characterised based on their production types and pollution loads. During industrial processes, different pollutants are produced at each production stage based on the raw materials used, technology employed, chemicals and other materials used.

Present status of waste management in Indian sugar industry

Indian sugar manufacturing units, like all industrial sectors, are obliged to meet the standards and regulations set by the government related to sustainable production and are often faced with stiff penalties for non-compliance. The major waste products from sugar processing are bagasse and press mud. Major waste product from alcohol production (distilleries) is spent wash. All the waste and by-products of the industry have reusing and recycling values attached. Presently, a significant amount of cane trash is burnt in sugarcane fields resulting in a heavy loss of nutrients, death of microbes, environmental pollution etc. This adverse effect on agriculture can be allayed through composting and vermicomposting.

BCML and waste management

The Company reuses waste products and byproducts to reduce disposal, emissions and discharge. In season 2019-20, the Company generated 31.25 lacs MT of bagasse and 57.07 lacs qtls of molasses, using the same to manufacture downstream products. In season 2019-20, the Company generated 38.27 lacs qtls of filter cake as process waste, distributed among farmers as organic manure. To ensure the storage of fly ash generated out of boilers (0.48 Lacs MT in 2019-20), the Company rented brick kilns.

Water management

Water management in India's sugar industry

Indian sugar mills generate 0.22 to 0.25 cubic meter of waste water and 0.18 to 0.20 treated water for every tonne of cane crushed by them. During 2019-20, India produced around 27 million tonnes of sugar; at this production level, the Indian sugar processing industry generated 54.0 MLD of treated water.

The combined sugar mill waste water comprises Biochemical Oxygen Demand (BOD) of 400 to 600 mg/ltr whereas the pollution standards of the country stipulate that BOD of waste water should be less than 30 mg/ltr for disposal into inland surface water sources and less than 100 mg/ltr for disposal on land.

During the process of sugar manufacture, excess condensates are accumulated and reused. Sugarcane juice extracted in mills, after clarification, boiled in multiple effect evaporates, vaccum pan etc. If the condensate is contaminated by juice during boiling in the evaporator and pan due to entrainment, it has to be treated in ETP as waste water. It is important for sugar manufacturers to take preventive steps towards the contamination of condensate. The uncontaminated condensate is recycled.

A large quantity of water is also required for cooling bearings and glands, air compressors, the sulphur burner and massecuites.

It is suggested that cooled condensate water should be recycled instead of being released as waste water. The waste water from sugar mills contains large quantities of bio-degradable organic matter and go through extensive biological treatment. In general, anaerobic biological processes have advantage over aerobic processes when the BOD and COD inputs are very high.

BCML's wastewater management

The Company complies with the Central Pollution Control Board's effluent treatment norms. The Company installed diverse new technologies like RO and advance oxidation based Condensate Polishing Units (CPU). Ion Exchange column rinse water recovery system (UF and double stage RO base), and excess hot condensate separate cooling tower, recycle the excess water during the sugar manufacturing process to reduce the use of ground water. In waste water treatment, the Company installed a sulphate removal system at its various double sulphitation units for the first time in the sugar industry.

Emissions

150

Mg/Mn3 is the benchmark for particulate matter released into the air by bagasse fired boilers as per general emission standards

Emissions in the Indian sugar industry

All cane-based sugar mills in India use bagasse as a fuel in boilers. The burning of bagasse in boilers produces particulate matter, oxides of nitrogen, carbon, sulphur and water vapour. Except for particulate matter, emissions of bagasse-fired boilers are within the limits prescribed by the pollution control authorities.

The particulate matter, usually referred to as fly ash, consists of ash, unburnt bagasse and carbon particles. Fly ash is light and contains a large percentage of fine particulate matter. If air pollution control equipment is not installed at the sugar processing units, fly ash can escape into the atmosphere through the chimney. The particulate matter coming out of the chimney travels long distances, depending on the particle size and atmospheric conditions. It results in reduced visibility in the areas surrounding the sugar mill. The heavier particles settle on vegetation. There could be reports of dizziness and irritation in the eye, nose, throat and lungs from residents in the surrounding areas.

As per the general emission standards, particulate matter is required to be within 150 mg/Nm3. In case of horse shoe/pulsating grate and in the case of spreader stroker bagasse-fired boilers, the particulate matter emission is required to be within 500 mg/Nm3 and 800 mg/Nm3 respectively.

BCML and its emission control initiatives

The Company has invested adequately in emission control by way of ESP, bag filters and scrubbers. It has also implemented online systems to monitor emissions across manufacturing units. These systems monitor emissions with online alerts in case of deviations. These investments improved ambient air quality.

Effluents

Effluent generation in sugar factories

Effluents in sugar factories are generated in the following ways:

- **Mill house:** Cleaning and washing, juice leakages, spillages of mill bearing water
- **Boiling house:** Chemical boiling and tube cleaning of evaporator and pans, excess condensate water, pump leakages, daily and periodic cleaning and washing, laboratory and domestic water usage
- **Spray pond:** Blow down of spray pond water
- Boiler blow down and reject of DM/RO plants
- Power plant cooling tower blow down.

BCML"s basic concepts

- The quality of treated water is maintained as per standard parameters of treating effluent.
- The stringent regulatory norms for discharge are met under all circumstances.
- The aim is to keep the environment free from effluent contamination.
- Minimal electricity consumption, low chemical consumption with low and moderate operational and maintenance costs.

STANDARD PARAMETERS OF TREATED EFFLUENT WATER

Parameters	Standard norms	Inland surface water	Land for irrigation
pH	5.5 to 8.5	3.5 to 8.5	5.5 to 8.5
Total dissolved solids	< 2100	– – –	– – –
Total suspended solids	< 30	< 30	< 100
Chemical oxygen demand (COD)	< 250	< 250	– – –
Biological oxygen demand (BOD)	< 100	< 30	< 100
Oil & grease	< 10	< 10	< 10

BCML and its effluent treatment initiatives

The Company was among the first in Uttar Pradesh to install incinerators in distilleries for ₹225 crore in 2015-16. Spent wash generated during distillation process of ethanol is concentrated in multiple effect evaporators (MEE), it is called slop and this slop is used as a fuel along with bagasse in the incineration boiler. Condensate water of spent wash MEE is treated in a condensate polishing unit (CPU) to reuse and achieve zero liquid discharge. The Company has invested in new boilers in 2016-17 and 2019-20. The fly ash generated from incineration boiler is rich in potash. The Company has installed the granulation plant in its distillery units to produce granules distributed as fertiliser to farmers at subsidised rates. After taking all measures, the Company sealed all outgoing drains from its manufacturing units ensuring zero liquid discharge.

General parameters of raw effluent water generated in sugar industry

4.0. to 6.5
pH

350 to 600 mg/lt
Biological oxygen demand (BOD)

1500 to 3000 mg/lt
Total Dissolved Solids (TDS)

800 to 1500 mg/lt
Chemical oxygen demand (COD)

600 to 900 mg/lt
Total suspended solids (TSS)

10 to 50 mg/lt
Oil and grease

Energy conservation

Energy conservation initiatives

The various means by which the Indian sugar industry can save energy and/or fuel are :

- Efficient use of mechanical/electrical energy
- Maximum generation of steam per unit bagasse or fuel
- Maximum generation of power per unit of steam
- Minimum consumption of processed steam
- Maximum heat recovery through the reclamation of a hot condensate, flashing etc.

ENERGY REQUIREMENTS IN A SUGAR MANUFACTURING PLANT

Unit	Percentage
Juice extraction plant	40-45%
Juice purification plant	10-15%
Sugar crystallisation	15-20%
Sugar centrifugals	10-15%
Steam generation	5-10%

BCML and its energy conservation initiatives

The Company undertook various energy efficiency initiatives, which resulted in enhanced power efficiency, lower steam consumption and moderated power consumption per tonne of crushed cane.

Health and safety

Industrial health and safety in India

Health and safety of workers should be one of the most important priorities of any industrial unit. The workers are the resource, the ones who keep the production process in motion and generate revenues.

BCML and its health and safety Initiatives

The Company conducts various safety audits to ensure that its standards are at par with stipulated safety standards. It conducts training to ensure that all employees are equipped with the necessary safety knowledge; it provides personal protective equipment. This, coupled with the development of SOPs, has ensured better employee health and safety. The Company formed an EHS committee comprising members of all departments to identify issues and resolve them quickly.

Outlook

Going forward, the Company will continue to invest in sustainable initiatives. The Company plans to maintain environmental impact substantially below the statutory norms and reduce water consumption per tonne of cane. It will also continue to upgrade its equipment and conduct training sessions to ensure they are at par with the best standards pertaining to environment and safety.

Impact of our environment initiatives

- Solid particular matter concentration reduced to below 150mg/Nm3
- Bagasse-based cogen addresses Company's power requirements and exports
- Distillery-generated ethanol is used in petrol blending
- Usage of solid grease eliminated water contamination
- Overall ground water drawal reduced from 155.95 litres per day in FY18 to 129.24 litres per day in FY20
- Saved 1.70% bagasse with the installation of bagasse a dryer
- Reduced 0.39% power and 0.40% steam consumption per tonne of cane crushed in FY20

Specific steam consumption per tonne of cane crushed (units)

43.80
2019-20

44.50
2017-18

44.20
2018-19

Ground water drawal per tonne of cane crushed (ltrs)

129.24
2019-20

155.95
2017-18

157.03
2018-19

SWOT analysis of the Indian sugar industry

Strengths	Weaknesses
▸ Sugar cane is among the most profitable cash crops in India ▸ India is the second-largest sugar producer and the largest sugar consumer in the world ▸ Sugar industry supports downstream sectors and a large Indian rural ecosystem ▸ The Indian sugar industry provides direct employment (including ancillary activities) to ~0.5 million workers	▸ High raw material supply in the industry causes high cane arrears for farmers ▸ The industry uses outdated technology

Opportunities	Threat
▸ India's per capita sugar consumption at 19.6 kilograms is lower than global average of 22.6 kilograms ▸ Better farm practices can significantly increase yield and recovery ▸ Mandatory ethanol blending program of the government driving ethanol offtake ▸ Technology upgradation can result in superior byproduct utilisation	▸ The sector is often impacted by a political agenda ▸ Lack of infrastructure often makes cane farming dependent on climatic vagaries

Financial review

Capital structure

The equity share capital of the Company stood at ₹2,200.00 lacs as on 31st March, 2020 (22,00,00,000 equity shares of ₹1 each) compared to ₹2,284.38 lacs as on 31st March, 2019 (22,84,38,327 equity share of ₹1 each). During the year, the Company completed a buyback of 84,38,327 equity shares.

Other equity

Other equity of the Company increased by 14.01% from ₹2,05,985.50 lacs as on 31st March, 2019 to ₹2,34,841.16 lacs as on 31st March, 2020. This was mainly on account of profit retention during the year after paying off dividend and for buy-back of equity shares. During the year, the Company transferred ₹84.38 lacs from the Securities Premium to Capital Redemption Reserve on account of buy-back. Reserves on account of storage fund for molasses increased from ₹39.85 lacs to ₹87.19 lacs on account of fresh reserves created during the year as per the requirement. Further, ₹20000.00 lacs was transferred from Retained Earnings to General Reserve.

Free reserves (excluding amalgamation reserve of ₹4224.23 lacs) of the Company stood at ₹2,26,549.68 lacs as on 31st March, 2020 accounting for 96.47% of the total reserves.

Debt profile

Total long-term borrowings, including current maturities, stood at ₹44,829.67 lacs as on 31st March, 2020, compared to ₹37574.92 lacs as on 31st March, 2019. During the year under review, the Company repaid ₹6,009.62 lacs and availed fresh loans of ₹13024.00 lacs under the Central Government Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity.

Working capital borrowings reduced by 24.09% from ₹1,39,466.24 lacs as on 31st March, 2019 to ₹1,05,869.20 lacs as on 31st March, 2020 owing to the liquidation of stock and realisation of debtors.

Capital employed

The capital employed by the Company in the business increased marginally from ₹3,80,011.23 lacs as on 31st March, 2019 to ₹3,82,423.59 lacs as on 31st March,

2020. ROCE for the year stood at 13.18% as compared to 17.88% during 2018-19.

Net block

Net block of the Company stood at ₹1,63,644.24 lacs as on 31st March, 2020 compared to ₹1,46,738.26 lacs as on 31st March, 2019. The Company provided ₹10,141.73 lacs as depreciation and amortisation during the year. During the year, ₹25,437.91 lacs was added to the Company's asset block. Additions were mainly on account of the new 160 KLPD distillery plant set up by the Company at its Gularia Unit.

Investments

Investments stood at ₹18,543.21 lacs as on 31st March, 2020 compared to ₹12,005.73 lacs as on 31st March, 2019. During the year, the Company invested ₹8250.00 lacs in Auxilo Finserve Private Limited, an associate of the Company (NBFC private limited company based in India engaged in financing activities in the education sector). Debentures of Visual Percept Solar Projects Private Limited (associate of the Company) for an amount of ₹1646.05 lacs were redeemed during the year.

Trade and other receivables

Trade and other receivables reduced by 46.83% from ₹45003.36 lacs as on 31st March, 2019 to ₹23928.87 lacs as on 31st March, 2020. The outstandings included ₹17,282.27 lacs on account of the supply of power to UPPCL.

Trade and other payables

Trade and other payables increased from ₹61,850.39 lacs as on 31st March, 2019 to ₹67,795.18 lacs as on 31st March, 2020. The outstanding were mainly on account of cane price dues to farmers.

Other financial assets

Other financial assets increased from ₹19277.07 lacs as on 31st March, 2019 to ₹29,989.62 lacs as on 31st March, 2020. The increase was mainly on account of claims receivables amounting to ₹29,597.40 lacs under various schemes announced by the Government. During the year, the Company received ₹18710.54 lacs out of the opening amount of claim receivable of ₹18973.48 lacs as on the last day of the previous year.

Other financial liabilities

Other financial liabilities increased from ₹11,974.03 lacs as on 31st March, 2019 to ₹16,583.76 lacs as on 31st March, 2020. The increase was mainly on account of current maturities of long-term debt, security deposits and retention money. During 2020-21, ₹8,336.52 lacs is repayable compared to ₹6009.62 lacs repaid during 2019-20.

Other non-current assets

Other non-current assets reduced from ₹3,198.32 lacs on 31st March, 2019 to ₹483.54 lacs as on 31st March, 2020. The decrease was mainly on account of a reduction in capital advances owing to the capitalisation of fixed assets.

Other non-current liabilities

Other non-current liabilities stood at ₹Nil as on 31st March, 2020 compared to ₹35.93 lacs as on 31st March, 2019.

Other Current Assets

Other Current Assets stood at ₹7382.39 lacs on 31st March, 2020 as compared to ₹2070.45 lacs as on 31st March, 2019. The increase was mainly on account of Income Tax refundable and Interest Accrued thereon.

Other Current Liabilities

Other Current Liabilities increased from ₹3552.41 lacs as on 31st March, 2019 to ₹5911.71 lacs as on 31st March, 2020. The increase was mainly on account of increase in advances from customers.

Debtors' turnover

Debtors' turnover ratio stood at 20 days during 2019-20 as compared to 27 days during 2018-19. This was mainly owing to a realisation of receivables.

Inventory turnover

Inventory turnover ratio for 2019-20 stood at 188 days as compared to 198 days during 2018-19. Decrease in inventory turnover ratio was mainly on account of decrease in stock of sugar owing to exports. Closing stock of sugar reduced by 5.24% to 67.35 lac quintals as on 31st March 2020.

Interest Coverage Ratio

Interest coverage ratio stood at 10.63 times during 2019-20 as compared to 16.83 times during 2018-19. This was on account of lower profits earned by the Company during 2019-20 along with an increase in interest expenses. The allied business i.e. distillery performed well during the year under review, which enabled the Company to report stable profits compared to the previous year.

Current Ratio

Current ratio improved from 1.37 in 2018-19 to 1.46 in 2019-20.

Debt-Equity Ratio

The long-term debt-equity ratio increased marginally from 0.18 times to 0.19 times during 2019-20. This was on account of increase in long-term borrowings availed by the Company amounting to ₹13024.00 lacs under the Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity.

Operating Profit Margin

Operating Profit Margin decreased from 16.08% during 2018-19 to 14.38% during 2019-20.

Total Comprehensive Income Margin (%)

Total Comprehensive Income decreased from 13.19% during 2018-19 to 10.59% during 2019-20.

Return on Net Worth

Return on Net Worth decreased from 31.74% during 2018-19 to 23.11% during 2019-20.

Return on Capital Employed

Return on Capital Employed decreased from 21.79% during 2018-19 to 17.89% during 2019-20.

How we manage risks at our company

Risk management structure

Overview

BCML continues to strengthen its comprehensive system to promptly identify risks, assess their materiality and take measures to minimise their likelihood and losses in FY20 as well.

Risk management was applied across all management levels and functional areas. Risk management roles were distributed across the Board of Directors, Audit Committee of the Board of Directors.

Functions

The Risk Management Committee performed the following functions:

- Supervising, guiding, reviewing and identifying current and emerging risks;
- Developing risk assessment and measurement systems;
- Establishing policies, practices and other control mechanism to manage risks;
- Reporting results of risk to the Board; and
- Reviewing and identifying risk in other emerging areas

Implementation

The Company's Board-approved Risk Management Policy comprised material risks faced by the Company that were identified and assessed. The Company set up a policy framework for ensuring better management of its asset & liability profile.

Key risks and their mitigation

Demand risk

Reduced product off-take could affect business sustainability

Risk mitigation

- India continues to be second largest sugar producer; it is also the largest consumer of sugar in the world. Sugar consumption is increasing year-by-year, albeit at a nominal rate, due to country's demographic advantage.
- India's per capita consumption of sugar is lower than the global average, which leaves headroom for growth.
- The Central Government intends to raise ethanol blending in petrol to 20% by 2030, generating adequate demand for ethanol.
- Power is sold to the State grid under a long-term PPA.

Climatic risk

Excessive, deficient or untimely rain and other advesre agro climatic conditions could affect the quality and quantity of sugar cane

Risk mitigation

- The Company's manufacturing facilities are located in the natural sugar cane producing region, which also possesses relatively better irrigation infrastructure compared to Western/ Southern India.
- The cane development team of the Company actively monitors the planting/growth of sugarcane and disease infestation programme so that timely action can be taken to avoid or minimise damage.

Business cyclicality risk

The Company's performance may be affected by an over dependence on a particular verticaL

Risk mitigation

- The Company's robust integrated business model of utilising by-products for the production of power and ethanol reduces the impact of cyclicality.
- With continuous augmentation of capacity in distillery and co-generation capacity, the proportion of revenues from these two segments is showing signs of improvement.

Technological obsolescence

Inefficient processes can lead to cost overruns

Risk mitigation

- The Company has been proactive in making investments in the latest technology. It has the latest plants and follows best possible agri-practises; it maintains plants in a good condition through continuous upgradation.

Cost risk

Increasing cane prices and input costs could affect profitability

Risk mitigation

- To moderate the impact of cane cost, the Company is working on the improvement of cane varieties which would generate higher yield to farmers and millers.
- The Company diversified into the distillery and cogeneration business to broad-base the revenue base and minimise the impact of input cost increase in sugarcane.

Regulatory & government intervention risk

Business operations may be affected on account of excessive government intervention

Risk mitigation

- In the last couple of years, the Government has taken numerous rational decisions whether related to the fixation of cane price or with respect to the management of demand and supply of sugar in the country. In other words, the Government's interventions in the last couple of years have been positive. A favorable Government Policy in ethanol blending insulates the Company against adverse price realisations.

Finance risk

A stretched Balance Sheet could affect business sustainability

Risk mitigation

- The Company follows a judicious policy on mix of equity and debt.
- The Company's gearing as on 31st March 2020 was among the lowest in the industry. Other financial and liquidity ratios were at a healthy level.

Foreign exchange fluctuation risk

Foreign exchange volatility could result in unwarranted revenue losses

Risk mitigation

- The Company's operations do not generally entail foreign exchange risks
- As a matter of prudence, the Company hedges long-term and short-term foreign exchange exposures, if any

Cyber risk

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

Risk mitigation

- The IT department of the Company maintains and upgrades the systems on a continuous basis. The internal team imparts training and awareness programs to users on cyber security and threats.
- Identity and access control is deployed through MAC-based filtering and user authentication to access internet and business applications.
- The Company ensures data security by having identity and access control and authorisation matrix and all critical business data (user data and application data) are backed-up at multiple locations.
- Complex password protection is enabled at multiple levels to access business technology to ensure data integrity. Only licensed software is used in the IT systems.
- The Company's gateway is secured using UTM firewall device, which protects incoming and outgoing web and mail traffic. End points are deployed with managed antivirus for client security.
- Disaster recovery is in place to ensure business continuity.

Internal control systems and their adequacy

The internal controls are commensurate with the size and the nature of the operations of the Company. These controls have been designed to provide a reasonable assurance with regard to maintaining proper accounting controls, monitoring of operations, safeguarding of resources and utilising them to the maximum, promoting operational efficiency, compliances with applicable regulations and ensuring reliability of financial reporting. In addition, there is an internal audit process that reviews the in-system checks and regularly covers significant operational areas.

The Audit Reports, submitted by the Internal Auditors, are reviewed by the Audit committee. Any suggestion for improvements submitted to the Committee is considered and the implementation of corrective actions, wherever required, is followed up. Statutory and Internal Auditors are also invited to the Audit Committee meetings for ascertaining their views on the adequacy of internal control systems. Periodically, the Board is informed of the same.

Cautionary statement

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

REPORT OF THE BOARD OF DIRECTORS

for the year ended 31st March, 2020

Dear Shareholders

Your Directors have the pleasure of presenting their report as a part of the 44th Annual Report, along with the Audited Accounts of the Company for the year ended 31st March, 2020.

Financial results

The financial results of the Company are summarised below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from operations	**474129.40**	**428577.51**	**474129.40**	**428577.51**
Profit before financial costs, tax, depreciation and amortisation, exceptional items and other comprehensive income	72051.60	73181.91	72584.11	73181.91
Less: Finance costs	6417.02	4093.51	6417.02	4093.51
Less: Depreciation and amortisation expense	10141.73	9585.13	10141.73	9585.13
Profit before share of profit of associates and tax	-	-	56025.36	59503.27
Add: Share of profit of associates	-	-	780.67	675.48
Profit before tax	55492.85	59503.27	56806.03	60178.75
Less: Tax expense	4564.67	2439.41	4870.59	2596.77
Profit for the year	50928.18	57063.86	51935.44	57581.98
Other comprehensive income (net of tax)	(701.39)	(513.88)	(689.56)	(514.31)
Total comprehensive income for the year	**50226.79**	**56549.98**	**51245.88**	**57067.67**

Dividend and its Distribution Policy

In terms of the Dividend Distribution Policy of the Company, the Board of Directors of the Company declared an interim dividend of 250% (i.e. ₹2.50 per share on Equity Shares of the face value of ₹1/- each) for the financial year ended 31st March, 2020. Total outgo on the interim dividend was ₹6,630.54 Lacs (including dividend distribution tax of ₹1,130.54 Lacs). The said Dividend Distribution Policy was revised by the Board at its meeting held on 11th November, 2019. The said Policy has been annexed to this Report as Annexure - I and the same is also available on the website of the Company at the following web-link: http://chini.com/wp-content/uploads/2019/11/Dividend_Distribution_Policy_2019.pdf

The Board has not proposed any final dividend for the financial year ended 31st March, 2020 and accordingly, the interim dividend paid during the year shall be treated as final dividend.

Reserves and surplus

The Company has transfered an amount of ₹20,000 Lacs to the General Reserves.

Operations

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

Particulars	Sugar Season		Financial Year	
	2019-20	2018-19	2019-20	2018-19
Sugarcane crushed (lac quintals)	1053.72	1054.84	1020.30	1103.62
Sugar produced (lac quintals)	118.90*	123.91	116.73*	127.81
Sugar Recovery (%)	11.28*	11.75	11.44*	11.58

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

Industry scenario and outlook

India commenced the sugar season 2019-20 (October –September) with an opening inventory of around 14.6 MMT (Metric Million Tonnes). Sugar production for the current season is estimated at 27.00 MMT, around 6.15 MMT lower than last season's production of 33.15 MMT. Uttar Pradesh (UP), Maharashtra and Karnataka are the three largest sugar producing states in the country and are expected to produce ~12.6 MMT, 6.1 MMT and 3.4 MMT of sugar in the ongoing season in comparison to last season's production of 11.8 MMT, 10.7 MMT and 3.8 MMT respectively. The reason for higher production in UP is primarily due to larger diversion of sugarcane from Gur- Khansari segment to sugar mills in the wake of impaired cash flows of the former due to covid-19 and lower production in Maharashtra and Karnataka is on account of lesser availability of sugarcane due to drought in previous year.

The onslaught of Covid-19 pandemic, has also impacted the demand of sugar. Due to lockdown declared world-wide, India being no exception, domestic demand of sugar is expected to be lower at 25.0 MMT as compared to 25.5 MMT in the last season.

The Central Government, before the start of the sugar season 2019-20 announced encouraging policy for Export of sugar from India. Lockdown also impacted the operations at Indian ports which delayed the movement of export cargo from India. In spite of above hurdle it is expected that exports will be around 5.5 MMT during the sugar season 2019-20.

In the light of above, carry forward stock of sugar in the country as on 30th September, is expected to be around 11.1 MMT. (Close to 5.5 months consumption).

Domestic sugar prices more or less ranged between ₹31-33 per kg during April to July 19. It was slightly higher during August and September 19 at around ₹33-34 per kg owing to festive demand. Post commencement of crushing season from November 19, sugar prices again became range bound around ₹31-33 per kg.

The Government continued with most of the policies on sugar announced in the previous years with an objective to support the sugar prices and to ensure that farmers are paid on time. The following policies continued:

- Fair & Remunerative Price (FRP) of sugarcane for the sugar season 2019-20 remained unchanged at ₹275 per quintal (linked to a basic recovery of 10%).
- State Advised Price (SAP) of sugarcane for the state of UP also remained unchanged at ₹315 per quintal.
- The pricing methodology for ethanol also remained unchanged. Ethanol prices are announced annually by the Central Government based on a formula, which considers the price of sugar and FRP of sugarcane to calculate the ethanol procurement prices. The ethanol prices are delinked with the crude or petrol prices. Prices for ethanol for the supply period December 2019 to November 2020, were increased to ₹43.75, ₹54.27 and ₹59.48 per BL for Ethanol produced from C-heavy molasses, B-heavy molasses and Direct Cane Juice/Sugar syrup respectively as compared to ₹43.46, ₹52.43 and ₹59.13 per BL in the previous period.
- The regime of Minimum Selling Price (MSP) of sugar which was first time fixed at ₹29000/- per MT in June 2018 and further increased to ₹31000/- per MT in February 2019 also continued. MSP is the ex-factory price (excluding GST and transportation charges) below which no sugar mill can sell sugar in India. Owing to India now becoming a structural surplus producer of sugar, MSP regime will continue for some time at least.
- Along with MSP, stock holding limits on mills in the form on maximum monthly sale quotas will also continue.
- Buffer stock for sugar with the intention to limit the availability of sugar for sale in domestic market and reimbursement of carrying cost of said buffer stock to sugar mills. The quantum of buffer stock was raised to 4 MMT against 3 MMT in the previous year.
- Export of sugar from India, with the quantum of export quota raised to 6 MMT against 5 MMT in the previous year, with competitive WTO compliant export subsidy.
- Soft loans through banks for setting up of new distillery capacities as well as augmentation of existing capacities, which could facilitate higher production of ethanol on one hand and reduce production of surplus sugar through diversion of B-heavy molasses and Direct Cane Juice/Sugar Syrup away from sugar into ethanol.
- Higher custom duty on import of sugar
- Zero custom duty on export of sugar

In spite of plethora of steps taken by the Government, the sugar industry is still passing through a difficult phase in view of very high sugar inventory and higher expected production of around 31 MMT of sugar in the next season.

As an immediate solution following steps are required to be taken:

- Increase the Minimum Selling Price to ₹35000/- per MT to cover the all India average cost of production of sugar.
- Increase the prices of all grades of Ethanol to incentivize higher production of Ethanol to tackle surplus sugar via B-Heavy molasses as well as direct cane juice/syrup routes
- Announce export quotas and supplement the same with competitive WTO compliant subsidies.
- Announce buffer stock and subsidy for next year too.

For long-term solution, further proactive steps are required to be taken again on priority basis in order to protect the interest of various stakeholders:

- Most of the sugar producing countries in the world including some of the largest viz. Brazil, Thailand, Australia and USA follow the Revenue Sharing Formula (RSF) to pay cane price to farmers. India should also follow the same so as to achieve its competitiveness on the global front.
- Dr. Rangarajan committee as well as Niti Ayog have recommended the concept of joint implementation of FRP, RSF and PSF (Price Stabilization Fund) as a permanent long term solution for the sector; otherwise the sector would continue to require Government support.
- Once the above formula is in place, miller's liability for cane price to be limited to the amount arrived at as per RSF, farmers will continue to get FRP and the difference between the FRP and the RSF to be paid from PSF.
- PSF has to be on a self-financing mechanism.
- State Advised Price (SAP) to be done away with.
- Cane price to be allowed to be paid in instalments across the country so as to ease the pressure on the working capital requirements of the sugar mills which will also support the sugar prices.

The global sugar environment at the start of the season began with a positive note with India, Thailand, EU, Pakistan all expected to produce lower than last year. Even Brazil was expected to produce lower in view of better price parity in favour of ethanol. Thailand surprised all experts with a significant drop in production which resulted in massive increase in global prices from 12 cents per pound to almost 16 cents per pound in a short span of time. However, outbreak of covid 19 changed the situation dramatically. It is also expected that 2019-20 consumption pattern may not see much variation as compared to last year. Sugar production during 2019-20 in Brazil is expected to be ~29 MMT on account of climatic conditions and higher switch to ethanol than sugar. Experts feel that Brazil will divert more cane juice to produce sugar as the outlook for ethanol has been decimated by drop in consumption and prices. The European scenario too looks tight as there are potentials of lower yield and area reduction on account of a severely dry climatic situation and thus sugar production expected to be ~17 MMT. Thailand monsoon was also a failure last year which resulted in lower yield owing to which production is expected to be ~8.0 MMT. Raw sugar prices were range bound owing to demand supply mismatch and export announcement made by India. Apart from this the spread of Covid-19 has resulted in unforeseen global glut. Unless the situation across the globe eases it's very hard to see to a sharp increase in international sugar prices which are currently hovering around 11.5 cents/lb.

BCML's performance during 2019-20

Revenues earned from operations during the year stood at ₹4,74,129.40 lacs as compared to ₹4,28,577.51 lacs for the previous year, an increase of 10.63%. Revenues rose mainly on account of higher volumes and realisations. The distillery segment delivered robust performance. Performance from cogeneration segment was subdued owing to reduction in tariff by UPERC. The Company earned a total comprehensive income of ₹50,226.79 lacs during the year ended 31st March 2020 as compared to ₹56,549.98 lacs in the previous year.

Segment-wise performance and outlook

Sugar

During the financial year ended 31st March 2020, sugarcane crushing stood at 1020.30 lac quintals as compared to 1103.62 lac quintals in previous year, decrease of 7.5% over previous year. Sugar recovery for the year stood at 11.44% as compared to 11.58% in previous year. During the sugar season 2019-20 the Company has diverted 327.01 lac quintals (38.3%) sugarcane for producing B-heavy molasses owing to which sugar recovery was lower. Had there been no diversion sugar recovery for the year would have been 11.93% as compared to 11.58% in previous year. Company's efforts to work closely with farmers and more emphasis on cane development activities enabled the Company to achieve higher proportion of early variety of sugarcane as compared in previous year. The Company is providing farmers with necessary agro-inputs so as to increase the farm yield and support clean cane quality. Influential steps were also taken to educate the farmers on modern agricultural practices.

During the year, the Company sold 120.53 lac quintals of sugar as compared to 115.30 lac quintals in previous year. Sales for the current year includes 26.07 lac quintals for exports as compared to 16.67 lac quintals in previous year. Free sugar realisation for the year stood at ₹32.91 per kg as compared to ₹30.96 per kg in previous year. Blended sugar realisation (free plus export) stood at ₹30.34 per kg as compared to ₹29.55 per kg in previous year.

Sugar inventory as on 31st March 2020 stood at 67.35 lac quintals valued at ~₹29.49 per kg as compared to 72.37 lac quintals valued at ~₹29.43 per kg in previous year.

Distillery

The Company's distillery segment performed exceedingly well during the year. The Company produced 1275.75 lac BL of industrial alcohol during the year as compared to 1065.67 lac BL during the previous year, an increase of 19.7%. The Company was able to run its distilleries for more number of days owing to zero liquid discharge status at all its distilleries. The Company also commenced operations at its new 160 KLPD distillery at Gularia from 12th January 2020, the full benefit of which will accrue in the next year. In its endeavour to produce ethanol from B-heavy molasses route by diverting more cane for the same, the Company produced 357.96 lac BL of Ethanol out of B-heavy molasses during the year.

Ethanol sales during the year produced from B-heavy molasses stood at 255.83 lac BL at and average realization of ₹54.27 per BL. Ethanol sales from molasses produced from C-heavy route stood at 835.84 lac BL at an average realization of ₹43.49 per BL as compared to 1078.83 lac BL at an average realization of ₹41.68 per BL in previous year. Ethanol sales from molasses produced from C-heavy route was lower in the current year as the Company chose to produce and sale Ethanol produced from B-heavy molasses route. Blended realisation for total industrial alcohol (including ENA) sales stood at ₹44.69 per BL as compared to ₹41.29 per BL in previous year.

Cogeneration

The performance of the cogeneration segment was subdued during the year. Total power generated during the year stood at 9024.18 lac units as compared to 10,497.13 lac units in previous year, a decrease of 14.0% as the Company decided to sell more bagasse outside than to use it to generate power in view of lowering of power tariff by UPERC. Power exported to Uttar Pradesh Power Corporation Limited stood at 5261.44 lac units as against 6,637.72 lac units in previous year, a decrease of 20.7%. Average realisation for the year stood at ₹3.06 per unit as compared to ₹4.94 per unit in previous year. The matter of reduction in tariff by UPERC is under litigation as is pending at Hon'ble High Court Allahabad.

Sales from renewable energy certificates (REC) during the year stood at ₹311.16 lacs as compared to ₹300.79 lacs in previous year.

Others

The Company also manufactures Granular Potash Fertilizer, Bio-Zyme, Bio-Pesticides for the healthy and salubrious growth of sugarcane and also provide soil health cards to the farmers by analysing the soil samples of the farmers. It produces mainly three products namely Granular Potash, Jaiv-Shakti and Paudh-Shakti. These products provide plants to sustain under the draught conditions, increases metabolism and root development. The Company sells these products to our farmers at subsidised rates and to the Indian fertilizer giant, IFFCO. Revenues during the year stood at ₹1117.17 lacs as compared to ₹782.77 lacs in previous year.

The Company also started manufacturing hand sanitizers in the wake of pandemic Covid-19.

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

Subsidiary and Associate Companies

No body corporate has become or ceased to be a subsidiary, joint venture or associate company during the year. Details of the Associate Companies of the Company are given in the Extract of the Annual Return in Form MGT-9.

Consolidated Financial Statements

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

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

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

Share Capital

During the year under review, the Board of Directors of the Company approved buy-back of 84,38,327 Equity Shares of the Company, through the "Tender Offer" route using the Stock Exchange Mechanism, for an aggregate amount of upto ₹14767.07 Lacs (being 9.82% of the total paid-up equity share capital and free reserves of the Company as on 31st March, 2018), at a price of ₹175/- per Equity Share on a proportionate basis in accordance with the provisions contained in the Act, rules made thereunder, the SEBI (Buy Back of Securities) Regulations, 2018, as amended, and other applicable circulars, clarifications and notifications.

Post the Buyback of 84,38,327 equity shares, the equity share capital of the Company stood at ₹2200 Lacs consisting of 22,00,00,000 equity shares of ₹1 each as on 31st March, 2020.

The Board of Directors of the Company at their meeting held on the date of this Report approved buy-back of 1,00,00,000 Equity Shares of the Company, through the "Tender Offer" route using the Stock Exchange Mechanism, for an aggregate amount of upto ₹18000 Lacs (being 7.87% of the total paid-up equity share capital and

free reserves as on March 31, 2020), at a price of ₹180/- per Equity Share on a proportionate basis in accordance with the provisions contained in the Act, rules made thereunder, the SEBI (Buy-Back of Securities) Regulations, 2018 and other applicable circulars, clarifications and notifications.

Employee Stock Option Scheme

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

Credit Rating

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

Directors

Pursuant to the provisions of Section 152(6) of the Act, the members of the Company at the 43rd Annual General Meeting (AGM) held on 30th August, 2019, re-appointed Dr. Arvind Krishna Saxena who was liable to retire by rotation.

None of the Directors of the Company are disqualified as per the applicable provisions of the Act.

Director retiring by rotation

Shri Naresh Dayal retires from the Board by rotation and being eligible, offers himself for re-appointment. The Board of Directors recommends the said re-appointment. Resume and other information regarding aforementioned Director seeking re-appointment as required under Regulation 36 of the Listing Regulations has been given in the Notice convening the ensuing AGM.

Information regarding the directors seeking appointment / re-appointment

During the year under review, the Board of Directors of your Company on the recommendation of the Nomination & Remuneration Committee has appointed Ms. Veena Hingarh as an Additional Director in the capacity of an Independent Director for a period of 5 (five) consecutive years with effect from 31st August, 2019 subject to the approval of the Shareholders. Pursuant to Section 149 read with Schedule IV and other applicable provisions of the Act and the Listing Regulations, your Board of Directors seek your approval for appointment/ regularization of Ms. Veena Hingarh as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from 31st August, 2019.

Shri Sumit Mazumder was appointed as an Independent Director of the Company pursuant to Section 149 of the Act for the first term of 5 years and will hold office upto 30th April, 2021.

Considering the knowledge, expertise, experience and his entrepreneur and leadership skills and the contributions made by him during his tenure as an independent director and as the Chairperson of the Board, the Nomination & Remuneration Committee and the Board of Directors have recommended the re-appointment of Shri Mazumder as an Independent Director of the Company, to hold office for the second term of five consecutive years commencing from 1st May, 2021 upto 30th April, 2026. The Company has received necessary declarations from him that he continues to fulfil the criteria of independence as prescribed under the provisions of the Act and the Listing Regulations. Accordingly, in terms of Section 149(10) of the Act, the Board seeks approval of the shareholders of the Company by means of special resolution for the re-appointment of Shri Mazumder, as aforesaid. Further, Shri Mazumder will attain the age of 75 years during his proposed second term. Therefore, in compliance with the requirements of the Listing Regulations, the Board also seeks approval of the shareholders of the Company by means of special resolution for continuation of Shri Mazumder as an Independent Director of the Company from the day he attains the age of 75 years (on 11th February, 2023) till his remaining period, i.e. up to 30th April, 2026.

In terms of the provisions of Section 160(1) of the Act, the Company has received notices from members signifying their intention to propose the candidatures for the appointment of Ms. Veena Hingarh and re-appointment of Shri Sumit Mazumder as independent directors.

Resume and other information regarding the aforesaid appointment/ re-appointment as required under Regulation 36 of the Listing Regulations and the Secretarial Standard – 2 (Revised) have been given in the Notice convening the ensuing AGM. The terms and conditions of appointment/ re-appointment of Independent/Non-Executive Directors of the Company is hosted on the website of the Company.

Changes in Board Composition

Smt. Novel S Lavasa, an Independent Director of the Company had tendered her resignation with effect from 31st May, 2019 owing to her eye operation and limitations arising out of the same. The Board places on record its deep appreciation for the contributions of Smt. Lavasa on key issues, in particular, on conducting business in a socially responsible manner. Smt. Lavasa has confirmed that there are no other reasons attributable / connected with the Company.

With deep regret, the Board reports the sad demise of the Independent Director, Late (Shri) R. N. Das, on 3rd December, 2019 and would like to place on record its highest gratitude and appreciation for the guidance given by Late (Shri) R. N. Das to the Board during his tenure as a director.

Other Information

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

Other details pertaining to the Directors, their appointment / cessation during the year under review and their remuneration are

given in the Extract of Annual Return and the Corporate Governance Report annexed hereto and forming part of this Report.

Declaration by Independent Directors

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

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

Separate Meeting of Independent Directors

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

Directors' Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act and Regulation 18 of the Listing Regulations in the preparation of the annual accounts for the year ended 31st March, 2020 and state that:

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

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

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

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

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

Particulars of Employees

The particulars of employees, as required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), are given in a separate annexure attached hereto as Annexure – II and forms part of this Report.

Prevention of Sexual Harassment

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

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

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

Deposits

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

Key Managerial Personnel (KMP)

Shri Nitin Bagaria, Company Secretary (Key Managerial Personnel) of the Company had resigned from the office of Company Secretary of the Company effective from closure of the business hours of 5th May, 2020. Hence, the Board of Directors at their meeting held on 23rd June, 2020 have appointed Shri Manoj Agarwal, a qualified Company Secretary and Chartered Accountant, as the Company Secretary & Compliance Officer (Key Managerial Personnel) of the Company with effect from 23rd June, 2020.

In terms of the provision of Section 203 of the Act, Shri Vivek Saraogi, Managing Director, Shri Pramod Patwari, Chief Financial Officer and Shri Manoj Agarwal, Company Secretary are now the Key Managerial Personnel of the Company.

Details pertaining to the remuneration of KMPs employed during the year have been provided in the Extract of Annual Return annexed hereto and form part of this Report.

Board Meetings

The Board met 6 (six) times during the financial year under review, the details of which are given in the Corporate Governance Report attached to this Report.

Committees of the Board

Pursuant to various requirements under the Act and the Listing

Regulations, the Board of Directors has constituted/reconstituted (whenever necessitated) various committees such as Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Executive Committee. The details of composition, terms of reference, etc., pertaining to these committees are mentioned in the Corporate Governance Report.

Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Audit Committee

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

Whistleblower Policy / Vigil Mechanism

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

http://chini.com/vigil_mechanism_policy/Vigil_Mechanism_Policy.pdf

Policy on Selection and Remuneration of Directors

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

Board Evaluation

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

Corporate Social Responsibility

The CSR activities of the Company are focused on Social Empowerment and Welfare, Sustainable Livelihood, Health Care and Education. Various activities have been initiated during the year in neighbouring villages around its plant locations. In line with CSR commitment the Company spent ₹1092.89 Lacs, being over 2% of the average net profits of the Company for the last three years, for the purposes of CSR. The CSR Policy of the Company as approved by the Board can be accessed on the Company's website at following web-link: http://chini.com/csr_policy_pdf/CSR_Policy.pdf

During the year under review the Company through Balrampur Foundation implemented a project (Nayi Ummed) in Uttar Pradesh. The Project is focused on the holistic development of the community. Through the Project the Foundation approaches the development works with the aim of making the farmers self-sufficient and help them possess the confidence to sustain their own progress. The Project also encouraged the investment in the right technology and training of the farmers to employ the tools and technique that improves their yield, maintenance of the soil quality and also offers them supplementary sources of income. The Foundation also worked towards quality of education and improved learning methods for the children and families of the farmers, as the Company believes that good education is not just the single most important means to have a respectable life but is also a right of each and every individual. The project also took step towards better management of natural resources and conserving the soil, water and natural habitat.

During the year 2018-19 the Company had setup its Skilling Centre (Nipun) in Noida, Uttar Pradesh pursuant to the tripartite Memorandum of Understanding (MoU) with the National Skill Development Fund (NSDF) and National Skill Development Corporation (NSDC) for skilling of 1000 women over a period of 24 months to empower women from various rural and urban areas of Uttar Pradesh. This programme offers economic security and stability to women by facilitating employment related training. The NSDC has completed training of 690 trainees and a total of 228 trainees have been placed at different locations.

The Company in association with Agastya International Foundation is running four mobile science vans in the areas of Balrampur, Barabanki, Lakhimpur Kheri & Gonda, Uttar Pradesh. During the year under review, the said vans made visits to a total of 590 schools in the said areas and provided exposure to more than 63,000 students in aggregate. Apart from this, a total of 4 Science Fairs were organized in the said areas providing exposure to more than 1,000 students. The detailed report of the said initiative is available on the Company's website at the following web-link:

http://chini.com/corporate-social-responsibility/

During the year 2019-20, the Company donated a new school van (Tata Winger) to Ek Tara, West Bengal a registered trust, which is engaged in various programmes of education, health & nutrition and community outreach. During the current year 2019-20, over 800 children were enrolled in the various projects of the education programme run by Ek Tara.

The details of the CSR initiatives undertaken by the Company during the financial year 2019-20 are outlined in the Annual Report on CSR activities which along with CSR Policy is attached as Annexure V.

Inter-corporate Loans and Investments

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

Related Party Transactions

During the financial year ended March 31, 2020, all transactions with the Related Parties as defined under the Act read with Rules framed thereunder, were in the ordinary course of business and at

arm's length basis. During the year under review, your Company did not enter into any Related Party Transaction which requires prior approval of the Members. There have been no materially-significant related party transactions made by the Company with the Promoters, the Directors or the Key Managerial Personnel which may be in conflict with the interests of the Company at large.

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

http://chini.com/wp-content/uploads/2018/03/Policy_on_materiality_of_Related_Party_Transactions.pdf

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

Risk Management Policy

The policy on risk assessment and minimisation procedures as laid down by the Board are periodically reviewed by the Risk Management Committee, Audit Committee and the Board. The policy facilitates identification of risks at appropriate time and ensures necessary steps to be taken to mitigate the risks. Brief details of risks and concerns are given in the Management Discussion and Analysis Report.

Extract of Annual Return

Extract of Annual Return in Form MGT- 9 is annexed to this Report as Annexure – VI. The said Annexure also contains the list of Associates of the Company as on 31st March, 2020.

Material Changes and Commitments

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31st March, 2020 and the date of this Report. The impact of COVID 19 pandemic has not been material on the financial performance of the Company and is disclosed separately in the notes to Financial Statements.

Significant and Material Orders

There are no significant/ material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

Internal Financial Controls

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

Corporate Governance

In terms of the provisions of Regulation 34(3) of the Listing Regulations, the Management Discussion and Analysis, the Corporate Governance Report and the Certificate on the compliance of conditions of Corporate Governance form part of the Annual Report and are given separately as Annexure - VII.

Business Responsibility Report

Regulation 34(2) of the Listing Regulations, inter alia, provides that the annual reports of the top 1000 listed entities based on market capitalisation (calculated as on March 31st of every financial year), shall include a Business Responsibility Report. Since the Company is one of the top 1000 listed entities, it has presented its Forth Business Responsibility Report for the financial year 2019-20, as Annexure - VIII to this Report.

Auditors

Statutory Auditors and their Audit Report

Pursuant to the applicable provisions of the Act, the members of the Company at their AGM held on 30th August, 2017, appointed M/s. Lodha & Co., Chartered Accountants (Firm Registration No. 301051E), as the Statutory Auditors of the Company to hold office from the conclusion of the 41st AGM until the conclusion of the 46th AGM of the Company to be held in the year 2022.

The reports given by the Auditors, M/s. Lodha & Co., Chartered Accountants on the standalone and consolidated financial statements of the Company for the year ended 31st March, 2020 form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports.

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

Secretarial Auditors and their Audit Report

Pursuant to the provisions of Section 204 of the Act, the Company has appointed Shri Manoj Kumar Banthia of M/s. MKB & Associates, Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2019-20. The Secretarial Audit Report for the financial year 2019-20 is attached as Annexure - IX and forms part of this Report. The contents of the said Audit Report are self-explanatory and do not call for any further comments by the Board. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors and their Audit Report

The Cost Auditors (M/s. N. Radhakrishnan & Co., Cost Accountants) appointed by the Board have submitted the Cost Audit Report within the time limit prescribed under the Act and Rules made thereunder.

During the year under review, pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the Board appointed M/s. N. Radhakrishnan & Co., Cost Accountants, to conduct cost audit of the Company relating to sugar (including industrial alcohol) and electricity for the financial year ended 31st March, 2020.

On the date of this Report, your Board of Directors have, on the recommendation of the Audit Committee, appointed M/s. Mani & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2020-21. As required under the Act, a resolution seeking ratification of the remuneration payable to the Cost Auditors forms part of the Notice convening the ensuing AGM.

The Company maintains necessary cost records as specified by the Central Government under Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 (as amended).

Annexures forming part of this Report

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

Annexure	Particulars
I	Dividend Distribution Policy
II	Particulars of Employees
III	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
IV	Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity
V	Annual Report on CSR activities and CSR Policy
VI	Extract of the Annual Return as per Form MGT-9
VII	Corporate Governance Report and Management Discussion & Analysis
VIII	Business Responsibility Report
IX	Secretarial Audit Report

Appreciation

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

For and on behalf of the Board of Directors

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

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419
Place: Kolkata

Date: 23rd June, 2020

ANNEXURE I

DIVIDEND DISTRIBUTION POLICY

1. Background

Securities and Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 which came into force w.e.f. July 8, 2016. Pursuant to Regulation 43A of the said Regulations, top 500 listed entities based on market capitalization (calculated as on March 31st of every financial year) should have a Dividend Distribution Policy.

Therefore, the Board of Directors of Balrampur Chini Mills Limited has adopted this Dividend Distribution Policy of the Company as per the aforesaid requirement.

2. Effective Date

This Policy becomes effective from the date of its adoption by the Board i.e. Saturday, 11th February, 2017.

3. Definitions & Interpretations

Unless repugnant to the context:

(a) 'Act' shall mean the Companies Act, 2013 as amended from time to time and shall include Rules, Regulations and Secretarial Standards made thereunder or pursuant thereto.

(b) 'Board' shall mean the Board of Directors of the Company, as constituted from time to time.

(c) 'Company' shall mean 'Balrampur Chini Mills Limited'.

(d) 'Policy' shall mean this Dividend Distribution Policy as per the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016.

(e) 'Listing Regulations' shall mean SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended).

All words and expressions used but not defined in this Policy, but defined in the Act or the Listing Regulations shall have the same meaning as respectively assigned to them in such Act or Regulations, as the case may be.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

4. Objective

The Company shall strive to drive growth and thereby maximise shareholders' value. The object of this Policy is to strike a balance between dividend payout and the need to retain earnings for future growth. This Policy broadly specifies the external and internal factors that shall be considered while declaring dividend.

5. General policy of the Company as regards Dividend

Subject to the general considerations and the parameters as mentioned in this Policy, the Board shall endeavor to pay/ recommend a dividend (including Dividend Distribution Tax) in the range of 20 – 40% of Profit After Tax every year. However, buy-back of securities may require revisit of the dividend payout.

The general considerations of the Company for taking decisions with regard to dividend payout or retention of profits shall be as following:

(a) Subject to the other considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management and other relevant factors.

(b) The Board may also, where appropriate, aim at distributing dividends in form of fully or partly paid shares or other securities, subject to applicable law.

(c) Free cash flows and adjustments for exceptional / one off items.

In case of a lower dividend payout for any given financial year, the Board will provide a rationale in the Annual Report.

6. Parameters

The Board shall consider the following parameters:

(a) Circumstances under which the shareholders of the Company may or may not expect dividend:

Shareholders may expect Dividend when the Company is having adequate surplus funds after providing all expenses, depreciation, etc., and complying all other statutory requirements of the Act.

Shareholders may not expect Dividend:

(i) When the Sugar Industry Scenario is uncertain, even if the Company has earned profits in the year.

(ii) When there are regulatory restrictions.

(iii) Whenever it is proposed to utilise the surplus cash for buy back of securities.

(b) Financial parameters/Internal factors:

In addition to the aforesaid parameters, the decision of dividend payout or retention of profits shall also be based on the following:

(i) Cash Flows.

(ii) Long term strategic plans.

(iii) Debt repayment schedules and contractual constraints such as dividend restrictions in debt contracts and the current degree of financial leverage.

(iv) Such other criteria as deemed fit by the Board.

(c) External factors:

The various legal rules and constraints such as paying dividends that would impair capital and policy decisions that may be formulated by the Government or in case of uncertain or recessionary economic and business conditions, the Company will endeavour to retain larger part of profits to build up reserves to absorb future shocks.

(d) Policy to utilise retained earnings with regard to dividend:

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year(s) or out of free reserves, in accordance with the provisions of the Act, after due regard to the parameters laid down in this Policy.

(e) Parameters adopted with regard to various classes of shares:

The factors and parameters for declaration of dividend to different class of shares of the Company shall be same as covered above. Additionally, the following shall be considered:

(i) The dividend will be paid to the equity shareholders based on the terms of the issue.

(ii) The dividend shall be paid out of Company's distributable profits and / or profits of earlier year(s) (subject to applicable law), and shall be allocated among shareholders on a pro-rata basis according to the number of each type and class of shares held.

7. Review

The Board may review and amend the Policy, from time to time, as it may deem fit and / or to give effect to any amendment in any applicable law.

ANNEXURE II

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 (AS AMENDED)

I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20:

Name	Designation	Ratio
Shri Vivek Saraogi	Managing Director	251:1
Dr. A. K. Saxena	Whole-time Director	12:1

II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2019-20:

Name	Designation	% increase in remuneration
Shri Vivek Saraogi	Managing Director	-1.37
Dr. A. K. Saxena	Whole-time Director	18.35
Shri Pramod Patwari	Chief Financial Officer	16.56
Shri Nitin Bagaria*	Company Secretary	9.61

*Ceased with effect from 5th May, 2020

III. The percentage increase in the median remuneration of employees in the financial year 2019-20:

The median remuneration of the employees increased by 5.27% in the financial year 2019-20.

IV. The number of permanent employees on the rolls of the Company:

There were 6022 number of permanent employees on the rolls of the Company as on 31st March, 2020.

V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year: 9.73

Percentile increase in the managerial remuneration: 8.49%

Justification – Remuneration paid to the managerial personnel are as per recommendation of the Nomination & Remuneration Committee and as approved by the Board and the Shareholders of the Company. There is no exceptional increase in the managerial remuneration and the same is less than the increase in the salaries of employees other than managerial personnel and therefore no justification is required.

VI. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid during the year 2019-20 is as per the Remuneration Policy of the Company.

Notes:

1. The Non-Executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the shareholders of the Company. The details of remuneration of Non-Executive Directors are provided in the Report on Corporate Governance and is governed by the Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity of the Company, as provided in the Annual Report. In view of this, the calculation of the ratio of remuneration and percentage increase in remuneration of Non-Executive Directors would not be meaningful and hence not provided.

2. Permanent employees on the rolls of the Company includes Permanent and Seasonal Permanent employees but does not include Badli Workers, Retainers, Advisors, Trainees / Apprentices, etc.

Statement of Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)

Name	Designation, Nature of duties	Remuneration (₹)	Qualification and experience (years)	Age (years)	Date of commencement of employment	Last employer, designation
Employed throughout the financial year 2019-20						
Shri Vivek Saraogi	Managing Director	63643030	B.Com (Hons.), (32)	54	03.07.1987	None
Shri Nirmal Kumar Agarwal	Executive President (Unit Head)	10120931	Diploma in Mech. Engineering (39)	62	08.06.2006	Bajaj Hindusthan, Barkhera Unit, Vice President (Unit Head)
Shri Pramod Patwari	Chief Financial Officer	9711686	B.Com (H), FCA, FCS (25)	50	01.06.2007	Zenith Exports Limited, Finance Controller & Company Secretary
Shri Rohit Bothra	President (Taxation & Strategy)	9691746	B.Com (H), CA, GRAD. CWA (26)	47	16.01.2014	Ernst & Young LLP, Sr. Manager
Shri Vinay Khanna	Sr. General Manager (Business Planning)	7493734	B.Com (H), CA – Inter (20)	43	11.11.1999	None
Shri Manish Purohit	Sr. General Manager (Management Audit)	7461400	C.A., CIA, DISA, Certification in IFRS (23)	45	02.05.2003	Emami Limited, Audit Manager
Shri Praveen Gupta	Executive President	7233181	B.E. (MECH), P.G.D.M. (I.I.M. Calcutta) (38)	61	09.10.2008	M/s Upper Ganges Sugar & Inds., Seohara (U.P.), Jt. Executive President
Shri Binod Kumar Yadav	Chief General Manager	7013010	M.Sc. (Ag.) (26)	52	16.07.2003	J.K.Sugar- Meerganj (Bareilly) Senior Cane Manager
Shri Ajay Kumar Dubey	Chief General Manager, Unit Head	6961288	B.Sc, LLB, LLM (33)	57	27.05.2014	Kesar Enterprises Limited – Baheri, Bareilly, U.P., Vice President
Shri Madhukar Mishra	Executive President	6618790	M.Com, I.C.W.A. (33)	57	01.09.2005	K.M. Sugar Mills Ltd., Motinagar, Faizabad. Dy.G.M. (Finance & Accounts)
Employed for part of the financial year 2019-20						
Shri Naresh Kumar Khetan	Executive President & Group Commercial Advisor	10439902 (includes gratuity settlement)	B.Com (Hons.) & FCA (36)	61	01.06.1989	Partner in M/s. M. Kumar Jain & Co., Chartered Accountants

Notes:

1. Remuneration includes salary, company's contributions to provident fund, bonus, allowances and monetary value of perquisites. However, provision for gratuity during the year have been excluded.
2. Except the appointment of directors, all appointments are non-contractual and terminable by notice on either side.
3. No employee is a relative of any director of the Company.
4. None of the employees are covered under Rule 5(2)(ii) and (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended).

For and on behalf of the Board of Directors

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

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419
Place: Kolkata

Date: 23rd June, 2020

ANNEXURE III

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy

The Company has taken various steps towards conservation of energy in its Units. Details of steps taken are listed below:

1. Installation of solar lights in the cane purchase centres.
2. Variable Frequency Drive (VFDs) is being added in the system in all the Units for reduction of electrical energy consumption.
3. Installation of planetary gears in replacement of inefficient worm wheel type gears is also being done on regular basis in all the Units for saving of electrical energy.
4. Use of CFL & LED lights is being encouraged for reduction in power consumption.
5. Installation of Auto Slip Resistance STR Panel at Balrampur and Babhnan unit for reduction of electrical losses.
6. Gradual replacement of inefficient geared pumps with screw pumps / high flow pumps for electrical energy efficiency.

The impact of above measures are expected to reduce the consumption of fuel and power substantially and consequently the cost of production.

(ii) The steps taken by the Company for utilising alternate sources of energy

The Company has installed four Incineration Power Plants in its Chemical Plants to use the waste water / spent wash water as fuel after concentration to generate electrical energy through waste. We have installed 6.76 MW at Babhnan Unit, 6.60 MW at Mankapur Unit, 8.5 MW at Balrampur Unit and 7.50 MW Gularia Unit of total 29.36 MW for generation of green power through waste.

(iii) The capital investment on energy conservation equipments during the year 2019-20 was ₹303.67 Lacs.

(B) Technology absorption

(i) The Company carried on following sugarcane development activities during the financial year 2019-20:

- Distribution of new improved varieties of seeds;
- Use of moist Hot Air, Hot Water and Sett Treatment Machine to eradicate seed borne inoculum of red rot, smut, GSD disease etc.;
- Distribution of quality agri inputs to improve the cane yield and recovery;
- Installation of soil testing laboratory including analysis of micronutrients and providing soil health card to growers for correct nutrient recommendation as per requirement of the soil;
- Popularizing ratoon management;
- Popularizing use of trash mulcher to mix the trash in soil for quick decomposition in soil, which will improve the soil health.
- Popularization of sugarcane planting at 4 feet distance for improving crop growth, yield and recovery.

(ii) Due to above efforts, it is expected that higher yield of disease free cane will be available to the Company, resulting in higher returns to the Company and the cane growers. Multi cropping also helps farmers to get more returns.

(iii) The Company has not imported any technology.

(iv) Expenditure incurred on Research & Development: Nil.

(C) Foreign Exchange Earnings and outgo

	2019-20	2018-19
Foreign Exchange earned in terms of actual inflows	₹16843.46 Lacs	Nil
Foreign Exchange outgo in terms of actual outflows	₹102.10 Lacs	₹9.94 Lacs

For and on behalf of the Board of Directors

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

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419
Place: Kolkata

Date: 23rd June, 2020

ANNEXURE IV

POLICY ON SELECTION & REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES AND ON BOARD DIVERSITY

1. Preamble

Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Part – D of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also mandates the Nomination and Remuneration Committee to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. It further requires the Nomination and Remuneration Committee to devise a policy on diversity of the Board of Directors of the listed entity.

This Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity ("Policy") is designed to (i) attract, motivate and retain talented employees in the competitive market, (ii) motivate employees to excel in their performance, recognise their contribution, (iii) retain talent in the organisation, reward merit and protect organisational stability & flexibility and (iv) lay down the criteria for selection of directors in the Board and persons in the senior management to assist the Board of Directors in performing its duties. This Policy will also ensure constitution of the Board with optimum combination of Executive and Non-Executive Directors including Independent Directors who possess diverse experience and expertise in strategic management, governance and provide long term vision and direction to the Company.

However, the Board should act according to its obligations under the specific facts and circumstances it faces.

The Board of Directors ("the Board") of Balrampur Chini Mills Limited ("the Company") at their meeting held on August 11, 2016 have adapted this Policy and it shall be effective from September 1, 2016. This Policy supersedes the existing Remuneration Policy and Criteria for selection of Directors and persons in Senior Management.

This Policy applies to the Company's Directors, Key Managerial Personnel and other employees.

2. Objectives

This Policy is formulated with the following objectives:

(i) To set the criteria for determining qualifications, positive attributes and independence of a director.

(ii) To have a diverse Board, with people from diverse areas of expertise and experience.

(iii) To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and employees of the quality required to run the Company successfully.

(iv) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

(v) To ensure that the remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

(vi) To attract, recruit, motivate and retain desired talent.

However, exceptional occasions may arise where it is appropriate to act differently than set out in this Policy due to some extra-ordinary talent of any candidate and due to outstanding performance.

3. Definitions and Interpretations

"Act" shall mean the Companies Act, 2013 (as amended) along with the rules made thereunder.

"Committee" means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company.

"Key Managerial Personnel" or "KMP" means personnel as defined under the Companies Act, 2013.

"Listing Regulations" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Senior Management", "Senior Management Personnel" or "Senior Executives" means employees of Company who are members of its core management team excluding directors comprising all members of management one level below the executive directors, including the functional heads. Unless expressly excluded, Senior Management includes KMP.

4. Policy for selection and appointment of the Board Members

Board Membership Criteria & Diversity

The Board of Directors should be composed of individuals who have demonstrated significant achievements in business, education, individual profession and/or public service. They should have requisite expertise, education and experience to make a significant contribution to the deliberations of the Board of Directors in light of the Company's business. In addition, the Board shall have atleast one woman director.

The Committee may review the appropriate skills and characteristics of Board members in the context of the current structure of the Board. This assessment should include issues of diversity, age, business, qualifications, ethics & integrity, willingness to participate in Board matters and other criteria that the Committee and Board find to be relevant at that point of time. A variety and balance of skills, background and experience is desirable.

The composition of the Board shall meet the conditions prescribed under the Act and the Listing Regulations. Proposed appointees shall possess the Director Identification Number and meet the criteria as laid down in the Act and the Listing Regulations.

Attributes

The overall ability and experience of individual Board candidate should determine their suitability. The following attributes may be considered as desirable in any candidate for the Board:

- Experience- A Board candidate should have extensive experience in business, administration, profession, governance and/or public service. An ideal Board candidate may have had experience in more than one of these areas.
- Education - Ideally, it is desirable that a Board candidate should hold degree from a respected college or university. In some cases, it is further desirable for the candidate also to have earned a masters or acumen in governance & administration. However, these educational criteria are not meant to exclude an exceptional candidate who does not meet these educational criteria.
- Personal - A Board candidate should be of the highest moral and ethical character. The candidate should exhibit independence, objectivity and be capable of serving as a representative of the stakeholder.
- Individual Characteristics - A Board candidate should have the personal qualities to be able to make a substantial active contribution to the Board deliberations. These qualities include intelligence, self-assuredness, high ethical standard, inter-personal skills, independence, judgmental, courage, a willingness to ask the difficult question, communication skills and commitment.
- Availability - A Board candidate must be willing to commit, as well as have, sufficient time available to discharge the duties of the Board membership. The candidate should not have any prohibited interlocking relationships.
- Compatibility - A Board candidate should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the Senior Management of the Company.
- Compliance - A Candidate should meet the compliance requirements prescribed under the Act, the Listing Regulations and other Rules & Regulations or standards set out by the Company.

Predominance of Independent Directors

Independence promotes integrity, accountability and governance. The Board shall comprise of requisite number of independent directors as prescribed under the law.

Not less than requisite number of directors shall be independent directors who meet the criteria for independence as required under the Act, the Listing Regulations and other prescribed Rules & Regulations applicable to the Company. Besides, the Board will consider all relevant facts and circumstances in making a determination of independence.

Selection and Orientation of New Directors

The Committee shall identify candidates for the Board and recommend them for appointment by Board and subsequently for approval by the shareholders as prescribed under the law. The Board delegates the screening process to the Committee with direct input from the Chairman of the Board or the Managing Director or any other Committee as may deem appropriate. The Senior Management, working in conjunction with the Committee, shall develop an appropriate familiarisation program for new directors that include background briefings, meetings with the Senior Management and visits to Company facilities etc.

Assessing Performance of Board and Committees

The Committee shall evaluate performance of each director and report annually to the Board on the results of the assessment process. The performance evaluation of Independent directors shall be done by the entire Board of Directors. The Independent directors in their meeting shall review the performance of non-independent directors and the Board as a whole. While assessing the performance, the Board or the Committee shall take into account attendance of directors in the Board and Committee meetings, performance of the business, accomplishment of long-term strategic objectives & their participation, role & functioning of various committees, compliance and other matter as they may think fit. The purpose of the assessment is to increase the effectiveness of the Board.

5. Selection and nomination of Senior Management including KMP

Criteria for selection of directors shall also apply for selection of executives in the Senior Management excepting those which are not applicable for KMP. Where appointment or performance of any KMP requires specific qualification or degree, the person should also possess the same. Keeping self-up-to-date for performing duties, on issues and emerging trends is an important part of responsibilities. KMP must take reasonable steps to remain current in professional development, corporate governance and discharging duties & responsibilities.

The KMP shall meet the conditions prescribed under the Act and other Rules & Regulations as may be applicable.

6. Compensation Structure

Principles of Remuneration

This Policy reflects the balance between the interests of the stakeholders of the Company as well as a balance between the Company's short-term and long-term strategy. As a result, the structure of the remuneration package for the Executive Directors and the Senior Management Personnel are designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company. The Company strives for high performance in the field of sustainability and aims to maintain a good balance between economic gains, respect for people and concern for the environment in line with the values of the Company and business principles to ensure that highly skilled and qualified personnel can be attracted and retained. The Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size and complexity. The Company shall strive to be an equal opportunity employer.

The following elements shall be considered for payment of remuneration to Executive Directors, Senior Management Personnel and other employees:

Industry Average, Remuneration drawn by peers considering nature and volume of responsibilities, Qualification, Experience, Immediate previous position held in earlier organization & responsibilities occupied, responsibilities shouldered in the Company, contribution made within the organisation, any achievement, reward or recognition, behavioural patterns, work ethics, evaluation of performance etc.

Remuneration to Executive Directors & Non-Executive Directors

The Executive Directors shall be eligible for a monthly remuneration consisting of salary, perquisites and profit based annual commission (in case of Managing Director), as may be approved by the Board of Directors, based on the recommendations of the Committee, provided the same are in accordance with the statutory provisions of the Act, the rules made thereunder, for the time being in force and approved by the Shareholders and Central Government, wherever required.

The Non-Executive Directors (including Independent Directors) shall be entitled to receive sitting fees for attending each meeting of the Board of Directors and the committees thereof. The fees paid to the Non-Executive Directors for attending meetings shall be such as may be determined by the Board within the limits prescribed under the Act. Beside the sitting fees, they are also entitled to reimbursement of expenses for participation in meetings of the Board / Committee / Shareholders and payment of commission on net profits.

Any review of the remuneration to Executive Directors and Non-executive Directors shall be on the basis of performance evaluation of directors and as per recommendation of the Committee.

Payment of commission & sitting fees to Non-Executive Directors shall be subject to the provisions of the Act including prescribed rules & schedules thereunder and the Listing Regulations.

Remuneration to Senior Management and other employees

In order to attract and retain managerial expertise, the elements of the remuneration of the Senior Management are determined on the basis of the work they do and the value they create as well as of the conditions in other similar companies. Each element of the remuneration has been weighted in order to ensure a continuous positive development of the Company both in the short and long-term as well as of the employees to enhance productivity.

Remuneration of employees largely consists of base remuneration, perquisites, bonus, exgratia, etc. The components of the total remuneration vary for different cadres/grades are governed by industry pattern, qualification and experience of the employee, responsibilities handled by him, individual performance, among others. Employees/workers may be granted advance/loan with or without interest in case of genuine needs like- Medical, education, housing, marriage or for any other genuine purpose, subject to in conformity with the applicable laws and regulations as amended from time to time. The remuneration to employees/workers shall also comply with the applicable regulations and policies of the respective governments. As the factories of the Company are situated in the State of Uttar Pradesh, the remuneration to employees/workers (other than Senior Management) shall also be in compliance with the policies of the U.P. Govt. including Wage Board.

However, the Company may give compensation in the form of reward or incentive to any employee for his outstanding or extraordinary performance, which is over and above the benchmark set for him during any year.

Annual appraisal of performance of Senior Executives and other employees shall be done by the respective reporting authority/ head of the department in association with HR Department. Based

on such performance evaluation any increase in remuneration shall be considered.

Long Term Incentive Employee Stock Option Scheme

The Company has in place a Employees Stock Option Scheme for the Non-Promoter Executive Director(s) and employees of the Company with the objective of aligning interests of the executive management and key employees with the long-term goals of the Company and its shareholders and also to attract and retain talent to align the interest of employees with those creating sustainable value for all stakeholders. The stock options plan is long term for eight years after vesting time of one year from the date of grant of options.

7. Supplementary Provisions

The Committee may review this Policy periodically and suggest revisions in this Policy to the Board to ensure this Policy serves its purpose and accurately reflects the sense of the Board and the Company.

ANNEXURE V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:	Our vision for CSR is – "to contribute for bringing social and economic change to the underprivileged sections of the society in an equitable and sustainable manner and to contribute for the skill development as means of livelihood for the weaker sections of the society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India". CSR Activities will be carried on by the Company through: - Balrampur Institute of Vocational Aid ("BIVA"), - Balrampur Foundation, - Other societies, trusts, hospitals, funds or organisations (as permitted by the Act) engaged in activities specified in Schedule VII of the Act, as may be approved by the CSR Committee of the Board in accordance with the provisions of the Act and the CSR Rules. BIVA is a registered Public Charitable Trust and is recognized & affiliated by different Central and State Government agencies. It provides employment enhancing specialised vocational training at subsidised costs to the underprivileged for helping alleviate poverty and enhancing self-reliance. BIVA is powered by state-of-the-art training facilities and experienced faculty. The objectives of the Balrampur Foundation is to provide education, medical relief, promoting rural development projects and other charitable objects of general public utility for the upliftment of the economically disempowered sections of the society. It also promotes sports and social activities. CSR Activities may be carried on by the Company through other societies, trusts, hospitals or organizations (as permitted by the Act) engaged in activities specified in Schedule VII of the Act, subject to approval by the CSR Committee of the Board in accordance with the provisions of the Act and the CSR Rules. For carrying the CSR Activities, the Company may collaborate with the Governments, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders that can widen the Company's reach and help the Company to leverage upon the collective expertise, wisdom and experience that these partnerships bring to the CSR Activities. The Company may also collaborate with other companies to undertake CSR Activities. The projects / activities undertaken by the Company fall within the broad framework of Schedule VII of the Act which, inter alia, includes Education, Sustainable Livelihood, Healthcare, Sanitation, Rural Development and Transformation, Eradication of Poverty and Preservation of Environment for holistic development of the society. The revised CSR Policy of the Company has been disclosed on the website of the Company and is available at the following web-link: http://chini.com/csr_policy_pdf/CSR_Policy.pdf

2.	The Composition of the CSR Committee:	Your Company's CSR Committee comprises of the following members as on 31st March, 2020: - Shri Naresh Dayal – Chairperson (Non - Independent Director) - Shri Dinesh Kumar Mittal – Member (Independent Director) - Shri Vivek Saraogi – Member (Managing Director) - Shri Sumit Mazumder – Member (Independent Director)
3.	Average net profit of the Company for last three financial years:	₹54633.70 lacs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above):	₹1092.67 lacs
5.	Details of CSR spent during the financial year	
	a. Total amount to be spent for the Financial Year:	₹1092.67 lacs
	b. Amount unspent, if any:	Nil
	c. Manner in which the amount spent during the financial year is detailed below:	The manner in which the amount is spent is detailed in Annexure A.
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:	Not Applicable
7.	Affirmation by CSR Committee:	The CSR Committee affirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objective and Policy of the Company.

Annexure A

1	2	3	4	5	6	7	8
Sl. No.	**CSR Project or activity identified**	**Sector in which the Project is covered**	**Projects or Programs (1) Local area or other (2) Specify the state and district where the project or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: Direct expenditure on projects or programs**	**Cumulative Expenditure up to reporting period**	**Amount spent: Direct or through implementing agency**
				₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	
1.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water [Clause (i) of Schedule VII of the Act]	Local areas - Kolkata (W.B.) & Uttar Pradesh	500.00	490.03	490.03	- Balrampur Foundation
2.	Promoting health care including preventive health care	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water [Clause (i) of Schedule VII of the Act]	Local areas - Kolkata (W.B.) & Uttar Pradesh	70.60	75.43	75.43	- Balrampur Foundation - Anandlok - Shree Vishudhanand Hospital - Khajani Welfare Society - S.V.S. Marwari Hospital - Shree Kalyan Arogya Sadan
3.	Promoting education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects [Clause (ii) of Schedule VII of the Act]	Local areas - Kolkata (W.B.) & Uttar Pradesh	150.00	139.01	139.01	- Balrampur Foundation - Khajani Welfare Society - The Telegraph Education Foundation - Helping Hands Friends Charitable - Society For The Education of Challenged - Divya Chaya Trust - Purvanchal Kalyan Ashram - Agastya International Foundation - Prayatna Foundation

1	2	3	4	5	6	7	8
Sl. No.	**CSR Project or activity identified**	**Sector in which the Project is covered**	**Projects or Programs (1) Local area or other (2) Specify the state and district where the project or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: Direct expenditure on projects or programs**	**Cumulative Expenditure up to reporting period**	**Amount spent: Direct or through implementing agency**
				₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	
4.	Special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects [Clause (ii) of Schedule VII of the Act]	Local areas - Kolkata (W.B.) & Uttar Pradesh	70.00	68.09	68.09	- National Skill Development Fund - Balrampur Institute of Vocational Aid
5.	Setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups [Clause (iii) of Schedule VII of the Act]	Local areas - Kolkata (W.B.) & Uttar Pradesh	21.00	17.42	17.42	- Balrampur Foundation - Ramakrishna Mission Seva Pratisthan - People's Welfare Society - Plan International - Ektara - Blind Organization of India - Ramakrishna Mission Janasiksha Mandir - Vishwa Jagriti Mission Trust - Newage Clean Solutions Pvt Ltd
6.	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic Sports [Clause (vii) of Schedule VII of the Act]	Local areas – Kolkata (W.B.) & Uttar Pradesh	27.00	29.15	29.15	- Balrampur Foundation - West Bengal Bridge Association
7.	Animal Welfare	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [Clause (iv) of Schedule VII of the Act]	Local areas - Kolkata (W.B.) & Uttar Pradesh	23.51	22.41	22.41	- Balrampur Foundation

1	2	3	4	5	6	7	8
Sl. No.	**CSR Project or activity identified**	**Sector in which the Project is covered**	**Projects or Programs (1) Local area or other (2) Specify the state and district where the project or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: Direct expenditure on projects or programs**	**Cumulative Expenditure up to reporting period**	**Amount spent: Direct or through implementing agency**
				₹ (Lacs)	₹ (Lacs)	₹ (Lacs)	
8.	Rural Development Projects	Rural development projects [Clause (x) of Schedule VII of the Act]	Local area - Uttar Pradesh	4.00	3.17	3.17	- Balrampur Foundation
9.	Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga [Clause (iv) of Schedule VII of the Act]	Local area - Uttar Pradesh	225.00	233.52	233.52	- Balrampur Foundation
10.	Disaster Management	Disaster Management (for COVID-19) [Clause (xii) of Schedule VII of the Act]	Local area - Kolkata (W.B.) & Uttar Pradesh	-	12.80	12.80	- Rakshak Foundation - Kolkata Gives Foundation - Fueladream. Com
11.	Expenditure on administrative overheads	Within the specified limit as prescribed under the Act	-	1.64	1.85	1.85	- Direct - Balrampur Foundation
				1092.75	**1092.89**	**1092.89**	

sd/-
Vivek Saraogi
Managing Director
DIN – 00221419
Place: Kolkata

sd/-
Naresh Dayal
Chairperson - CSR Committee
DIN – 03059141
Place: Nainital

Date: 23rd June, 2020

CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION

Corporate Social Responsibility ("CSR") is a kind of social responsibility integrated into a business model. CSR goes beyond compliance and engages in actions that further some social good, beyond the interests of the firm and those which are required by law. CSR aims to embrace the responsibilities for the business actions and encourage a positive impact through its activities on the environment, communities and in general on the society at large.

At Balrampur Chini Mills Limited (the "Company"), we are committed to economic, social, environmental and cultural growth of the underprivileged in an equitable and sustainable manner, primarily in the peripheral areas around our factories and corporate office. Over the years, the Company has worked for the enrichment of lives across these communities by promoting education, employment enhancement vocational skills, healthcare, sanitation, etc.

Our vision for CSR is – "to contribute for bringing social and economic change to the underprivileged sections of the society in an equitable and sustainable manner and to contribute for the skill development as means of livelihood for the weaker sections of the society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India."

LEGAL REQUIREMENTS

Pursuant to Section 135 of the Companies Act, 2013 (as amended) (the "Act") read with Companies (Corporate Social Responsibility) Rules, 2014, (as amended) (the "CSR Rules") the Board of Directors of the Company is required to formulate a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken as specified in Schedule VII of the Act and the expenditure to be incurred thereon.

In line with the above, the Board of Directors of the Company (the "Board") has approved a Corporate Social Responsibility Policy at its meeting held on 12th May, 2014.

The Board at their meeting held on 8th February, 2018, based on the recommendations of the CSR Committee of the Board, have adopted this Policy, namely, BCML Corporate Social Responsibility Policy ("Policy") and it shall be effective from 1st April, 2018. This Policy shall supersede the existing Corporate Social Responsibility Policy.

CSR ACTIVITIES

CSR Activities, wherever used in this Policy, shall mean the CSR projects / programs undertaken by the Company, directly or through implementing agencies in terms of this Policy. CSR Activities do not include the activities undertaken in pursuance of normal course of business of the Company. The surplus, if any, arising out of the CSR projects or programs or activities, shall not form part of the business profit of the Company. The Board shall be the final internal authority as far as any interpretation of this Policy is concerned.

FOCUS AREAS

The Company shall focus on the following key areas for its CSR Activities:

1. Education including skill development, special education and vocational training.
2. Healthcare.
3. Rural Development and Transformation.
4. Sanitation.
5. Preservation of Environment.

LOCATION

The Company shall give preference to the areas around which it operates for its CSR Activities.

IMPLEMENTATION PROCESS

CSR Activities will be carried on by the Company through:

(i) Balrampur Institute of Vocational Aid ("BIVA"),

(ii) Balrampur Foundation,

(iii) Other societies, trusts, hospitals, funds or organisations engaged in activities specified in Schedule VII of the Act, as may be approved by the CSR Committee of the Board in accordance with the provisions of the Act and the CSR Rules.

CSR ACTIVITIES THROUGH BIVA

BIVA is a registered Public Charitable Trust and is recognized & affiliated by different Central and State Government agencies. It provides employment enhancing specialised vocational training at subsidised costs to the underprivileged for helping alleviate poverty and enhancing self-reliance.

BIVA is powered by state-of-the-art training facilities and experienced faculty.

CSR ACTIVITIES THROUGH BALRAMPUR FOUNDATION

The objectives of the Balrampur Foundation is to provide education, medical relief, promoting rural development projects and other charitable objects of general public utility for the upliftment of the economically disempowered sections of the society. It also promotes sports and social activities.

CSR ACTIVITIES THROUGH OTHER IMPLEMENTING AGENCIES

CSR Activities may be carried on by the Company through other societies, trusts, hospitals, funds or organizations engaged in activities specified in Schedule VII of the Act, subject to approval by the CSR Committee of the Board in accordance with the provisions of the Act and the CSR Rules.

For carrying the CSR Activities, the Company may collaborate with the Governments, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders that can widen the Company's reach and help the Company to leverage upon the collective expertise, wisdom and experience that these partnerships bring to the CSR Activities. The Company may also collaborate with other companies to undertake CSR Activities.

EXPENDITURE

As mandated under Section 135 of the Act read with the CSR Rules, expenditure on CSR Activities in any financial year shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years. The Budget of the CSR Activities to be carried on by the Company shall be recommended by the CSR Committee of the Board. Requisite approval shall also be taken from the Board, if necessary.

If the Company fails to spend the allocated budget in a particular year, the reasons for not spending the amount shall be specified in the Board's Report.

MONITORING

CSR Committee of the Board shall monitor the implementation of CSR Activities.

INFORMATION DISSEMINATION

The Company's engagement in CSR Activities shall be disseminated on its website, Annual Reports and / or through the media. An Annual CSR Report will be included in the Board's Report forming part of the Annual Report.

REVIEW

The Board may review and amend the Policy, from time to time, as it may deem fit and / or to give effect to any amendment in any applicable law.

ANNEXURE VI

FORM MGT. 9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L15421WB1975PLC030118
ii)	Registration Date	14th July, 1975
iii)	Name of the Company	BALRAMPUR CHINI MILLS LIMITED
iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	FMC Fortuna, 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata – 700020. Phone: 033-22874749, Fax: 033-22873083, Email: bcml@bcml.in, Website: www.chini.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited (Erstwhile Karvy Fintech Private Limited) Apeejay House Block "B", 3rd Floor, 15, Park Street, Kolkata – 700016 KFin Technologies Private Limited (Erstwhile Karvy Fintech Private Limited) Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032. Tel. No. 040-67161500 Fax No. 040-23420814 Toll Free No. 18003454001 Email: einward.ris@kfintech.com Website: www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Sugar	10721	81.95
2.	Industrial Alcohol	1101	12.22

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	Auxilo Finserve Private Limited LG-B-13 & 14, Lower Ground Floor, Art Guild House, Phoenix Market City, LBS Marg, Kurla West, Mumbai 400070	U65990MH2016PTC286516	Associate	45.05%	Section 2(6)
2.	Visual Percept Solar Projects Private Limited 813, Dalamal Tower, Free Press Journal Marg, Nariman Point, Mumbai 400021	U40106MH2010PTC206631	Associate	45.00%	Section 2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April -2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	77559792	-	77559792	33.95	73997380		73997380	33.63	(0.32)
b) Central Govt	-	-	-	-	-	-	-		-
c) State Govt(s)	-	-	-	-	-	-	-		-
d) Bodies Corporate	16064785	-	16064785	7.03	16423186		16423186	7.47	0.44
e) Banks / FI	-	-	-	-	-	-	-		-
f) Any other	-	-	-	-	-	-	-		-
Sub-total (A)(1)	**93624577**	**-**	**93624577**	**40.98**	**90420566**	**-**	**90420566**	**41.10**	**0.12**
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoters (A)= (A)(1)+ (A)(2)	**93624577**	**-**	**93624577**	**40.98**	**90420566**	**-**	**90420566**	**41.10**	**0.12**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	10675176	862	10676038	4.67	19180804	2	19180806	8.72	4.05
b) Banks / FIs	268554	1541	270095	0.12	1178371	1541	1179912	0.54	0.42
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	1980525	-	1980525	0.87	-	-	-	-	(0.87)
g) FIIs	229479	100	229579	0.10	229479	10	229489	0.10	0.00
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Alternate Investment Fund	4830000	-	4830000	2.12	7717420	-	7717420	3.51	1.39
Sub-total B)(1):	**17983734**	**2503**	**17986237**	**7.88**	**28306074**	**1553**	**28307627**	**12.87**	**4.99**
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	11144788	17436	11162224	4.89	6725184	17436	6742620	3.06	(1.83)
ii) Overseas	-	-	-	-					-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	34715866	897810	35613676	15.59	33222238	837619	34059857	15.48	(0.11)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	20702639	-	20702639	9.06	5944669	-	5944669	2.70	(6.36)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April -2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Non Resident Indians	1287666	4780	1292446	0.57	3272276	2095	3274371	1.49	0.92
Clearing Members	501896	-	501896	0.22	557899	-	557899	0.25	0.03
Trusts	122992	-	122992	0.05	498320	-	498320	0.23	0.18
Directors & their Relatives	16407	-	16407	0.01	15713	-	15713	0.01	0.00
Foreign Portfolio Investor (Corporate)	46809007	-	46809007	20.49	49583627	-	49583627	22.54	2.05
Unclaimed Shares Suspense Account – Regulation 39 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	54587	-	54587	0.02	51077		51077	0.02	0.00
IEPF	551639	-	551639	0.24	543654	-	543654	0.25	0.01
Sub-total (B)(2):	**115907487**	**920026**	**116827513**	**51.14**	**100414657**	**857150**	**101271807**	**46.03**	**(5.11)**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**133891221**	**922529**	**134813750**	**59.02**	**128720731**	**858703**	**129579434**	**58.90**	**(0.12)**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**227515798**	**922529**	**228438327**	**100.00**	**219141297**	**858703**	**220000000**	**100.00**	**0.00**

ii) Shareholding of Promoters:

Sl.No.	Name of the Shareholders	Shareholding at the beginning of the year [As on 01-April -2019]			Shareholding at the end of the year [As on 31-March-2020]			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares[1]	
1.	Shri Vivek Saraogi	35680017	15.62	Nil	35869184	16.30	12.75	0.68
2.	Kamal Nayan Saraogi HUF	7370447	3.23	Nil	7121964	3.24	2.43	0.01
3.	Vivek Saraogi HUF	159403	0.07	Nil	154029	0.07	Nil	0.00
4.	Smt. Meenakshi Saraogi	-	-	-	-	-	-	-
5.	Smt. Sumedha Saraogi	9166061	4.01	Nil	23027099	10.46	9.55	6.45
6.	Smt. Stuti Dhanuka	4658599	2.04	Nil	4485675	2.04	Nil	0.00
7.	Late (Shri) Karan Saraogi	17052904	7.46	Nil	-	-	Nil	(7.46)
8.	Smt. Avantika Saraogi	3472361	1.52	Nil	3339429	1.52	Nil	0.00
9.	Udaipur Cotton Mills Co. Ltd.	6149316	2.69	Nil	5942001	2.70	2.03	0.01
10.	Meenakshi Mercantiles Ltd.	7008360	3.07	Nil	6772084	3.08	2.31	0.01
11.	Novel Suppliers Pvt. Ltd.	2907109	1.27	Nil	3709101	1.69	0.96	0.42
	Total	**93624577**	**40.98**	**Nil**	**90420566**	**41.10**	**30.03**	**0.12**

[1] During the year, Promoters had executed a Non Disposal Undertaking for the financial facilities availed by Auxilo Finserve Private Limited (Associate Company) from ICICI Bank. However, as on the date, the entire shareholding of the Promoters is free from encumbrances.

Note: The changes in the shareholding are due to inter-se transfer and/or the extinguishment of equity share capital consequent to buyback of shares by the Company.

iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Shri Vivek Saraogi						
	At the beginning of the year	01.04.2019		35680017	15.62		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	1210833	0.55	34469184	15.67
		30.12.2019	Inter se Transfer	1400000	0.64	35869184	16.30
	At the end of the year	31.03.2020				35869184	16.30
2.	Kamal Nayan Saraogi HUF						
	At the beginning of the year	01.04.2019		7370447	3.23		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	248483	0.11	7121964	3.24
	At the end of the year	31.03.2020				7121964	3.24
3.	Vivek Saraogi HUF						
	At the beginning of the year	01.04.2019		159403	0.07		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	5374	0.00	154029	0.07
	At the end of the year	31.03.2020				154029	0.07
4.	Smt. Meenakshi Saraogi						
	At the beginning of the year	01.04.2019		0	0.00		
	Increase / Decrease in Shareholding during the year						
	At the end of the year	31.03.2020				0	0.00
5.	Smt. Sumedha Saraogi						
	At the beginning of the year	01.04.2019		9166061	4.01		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	316953	0.14	8849108	4.02
		26.07.2019	Transmitted from Late (Shri) Karan Saraogi	16477991	7.49	25327099	11.51
		30.12.2019	Inter se Transfer	2300000	1.05	23027099	10.47
	At the end of the year	31.03.2020				23027099	10.47
6.	Smt. Stuti Dhanuka						
	At the beginning of the year	01.04.2019		4658599	2.04		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	172924	0.08	4485675	2.04
	At the end of the year	31.03.2020				4485675	2.04
7.	Late (Shri) Karan Saraogi						
	At the beginning of the year	01.04.2019		17052904	7.46		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	574913	0.26	16477991	7.49

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		26.07.2019	Transmitted to Smt. Sumedha Saraogi	16477991	7.49	0	0.00
	At the end of the year	31.03.2020				0	0.00
8.	Smt. Avantika Saraogi						
	At the beginning of the year	01.04.2019		3472361	1.52		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	132932	0.06	3339429	1.52
	At the end of the year	31.03.2020				3339429	1.52
9.	Udaipur Cotton Mills Co. Ltd.						
	At the beginning of the year	01.04.2019		6149316	2.69		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	207315	0.09	5942001	2.70
	At the end of the year	31.03.2020				5942001	2.70
10.	Meenakshi Mercantiles Ltd.						
	At the beginning of the year	01.04.2019		7008360	3.07		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	236276	0.11	6772084	3.08
	At the end of the year	31.03.2020				6772084	3.08
11.	Novel Suppliers Pvt. Ltd.						
	At the beginning of the year	01.04.2019		2907109	1.27		
	Increase / Decrease in Shareholding during the year	03.06.2019	Buy back	98008	0.04	2809101	1.28
		30.12.2019	Inter se Transfer	900000	0.41	3709101	1.69
	At the end of the year	31.03.2020				3709101	1.69

Note: Other than the change in shareholding due to purchase or sale of shares, the percentage of shareholding during the year has also changed consequent to the extinguishment of equity share capital on 10.06.2019.

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	GOVERNMENT PENSION FUND GLOBAL*						
	At the beginning of the year	01/04/2019		3249327	1.42		
	Increase/Decrease in Shareholding during the year	07/06/2019	SELL	(209181)	(0.10)	3040146	1.38
		08/11/2019	SELL	(156327)	(0.07)	2883819	1.31
		15/11/2019	SELL	(290253)	(0.13)	2593566	1.18
		22/11/2019	SELL	(7803)	0.00	2585763	1.18

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		29/11/2019	SELL	(475372)	(0.22)	2110391	0.96
		06/12/2019	SELL	(751922)	(0.34)	1358469	0.62
		13/12/2019	SELL	(123681)	(0.06)	1234788	0.56
	At the end of the year	31/03/2020				1234788	0.56
2.	MORGAN STANLEY (FRANCE) S.A.*						
	At the beginning of the year	01/04/2019		3543140	1.55		
	Increase/Decrease in Shareholding during the year	05/04/2019	BUY	203222	0.09	3746362	1.64
		07/06/2019	SELL	(128043)	(0.06)	3618319	1.64
		19/07/2019	SELL	(191172)	(0.09)	3427147	1.56
		26/07/2019	SELL	(854927)	(0.39)	2572220	1.17
		02/08/2019	SELL	(95736)	(0.04)	2476484	1.13
		09/08/2019	SELL	(348213)	(0.16)	2128271	0.97
		16/08/2019	SELL	(428911)	(0.19)	1699360	0.77
		23/08/2019	SELL	(690837)	(0.31)	1008523	0.46
		30/08/2019	SELL	(683243)	(0.31)	325280	0.15
		06/09/2019	SELL	(299657)	(0.14)	25623	0.01
		07/02/2020	SELL	(15408)	(0.01)	10215	0.00
		14/02/2020	SELL	(10215)	0.00	0	0.00
	At the end of the year	31/03/2020				0	0.00
3.	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C NIPPON INDIA						
	At the beginning of the year	01/04/2019		5000000	2.19		
	Increase/Decrease in Shareholding during the year	07/06/2019	SELL	(321884)	(0.15)	4678116	2.13
		28/06/2019	BUY	90000	0.04	4768116	2.17
		05/07/2019	BUY	400000	0.18	5168116	2.35
		12/07/2019	BUY	200000	0.09	5368116	2.44
		23/08/2019	BUY	279116	0.13	5647232	2.57
		06/09/2019	BUY	400000	0.18	6047232	2.75
		13/09/2019	BUY	699977	0.32	6747209	3.07
		20/09/2019	BUY	300023	0.14	7047232	3.20
		18/10/2019	BUY	310805	0.14	7358037	3.34
		14/02/2020	BUY	1086035	0.49	8444072	3.84
		21/02/2020	BUY	4255	0.00	8448327	3.84
		13/03/2020	BUY	300000	0.14	8748327	3.98
		20/03/2020	BUY	298700	0.14	9047027	4.11
		27/03/2020	BUY	25000	0.01	9072027	4.12
	At the end of the year	31/03/2020				9072027	4.12

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4.	POLUNIN EMERGING MARKETS SMALL CAP FUND, LLC*						
	At the beginning of the year	01/04/2019		2334451	1.02		
	Increase/Decrease in Shareholding during the year	05/04/2019	BUY	23156	0.01	2357607	1.03
		08/11/2019	SELL	(507710)	(0.23)	1849897	0.84
		15/11/2019	SELL	(723283)	(0.33)	1126614	0.51
	At the end of the year	31/03/2020				1126614	0.51
5.	AKASH BHANSHALI*						
	At the beginning of the year	01/04/2019		4848018	2.12		
	Increase/Decrease in Shareholding during the year	07/06/2019	SELL	(312099)	(0.14)	4535919	2.06
		13/09/2019	SELL	(71294)	(0.03)	4464625	2.03
		20/09/2019	SELL	(377980)	(0.17)	4086645	1.86
		13/12/2019	SELL	(1776256)	(0.81)	2310389	1.05
		20/12/2019	SELL	(636150)	(0.29)	1674239	0.76
		27/12/2019	SELL	(100000)	(0.05)	1574239	0.72
		17/01/2020	SELL	(441784)	(0.20)	1132455	0.51
		21/02/2020	SELL	(33229)	(0.02)	1099226	0.50
	At the end of the year	31/03/2020				1099226	0.50
6.	VANTAGE EQUITY FUND						
	At the beginning of the year	01/04/2019		3350000	1.47		
	Increase/Decrease in Shareholding during the year	07/06/2019	BUY	34152	0.02	3384152	1.54
		14/06/2019	BUY	115848	0.05	3500000	1.59
		21/06/2019	BUY	100000	0.05	3600000	1.64
		13/03/2020	SELL	(25020)	(0.01)	3574980	1.62
		20/03/2020	SELL	(70470)	(0.03)	3504510	1.59
		31/03/2020	SELL	(12090)	(0.01)	3492420	1.59
	At the end of the year	31/03/2020				3492420	1.59
7.	MANGAL BHANSHALI*						
	At the beginning of the year	01/04/2019		2827009	1.24		
	Increase/Decrease in Shareholding during the year	24/05/2019	SELL	(1325406)	(0.58)	1501603	0.66
		31/05/2019	SELL	(1409953)	(0.62)	91650	0.04
		07/06/2019	SELL	(91650)	(0.04)	0	0.00
	At the end of the year	31/03/2020				0	0.00
8.	MASSACHUSETTS INSTITUTE OF TECHNOLOGY						
	At the beginning of the year	01/04/2019		2501625	1.10		
	Increase/Decrease in Shareholding during the year	19/04/2019	BUY	300000	0.13	2801625	1.23
		26/04/2019	BUY	78724	0.03	2880349	1.26
		07/06/2019	SELL	(180359)	(0.08)	2699990	1.23
		13/09/2019	BUY	75000	0.03	2774990	1.26
		25/10/2019	BUY	100010	0.05	2875000	1.31

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		15/11/2019	BUY	100000	0.05	2975000	1.35
		29/11/2019	BUY	367000	0.17	3342000	1.52
		06/12/2019	BUY	32000	0.01	3374000	1.53
	At the end of the year	31/03/2020				3374000	1.53
9.	AADI FINANCIAL ADVISORS LLP*						
	At the beginning of the year	01/04/2019		2365000	1.04		
	Increase/Decrease in Shareholding during the year	31/05/2019	SELL	(394232)	(0.17)	1970768	0.86
		07/06/2019	SELL	(242152)	(0.11)	1728616	0.76
		26/07/2019	SELL	(384000)	(0.17)	1344616	0.61
		02/08/2019	SELL	(353951)	(0.16)	990665	0.45
		09/08/2019	SELL	(50012)	(0.02)	940653	0.43
		27/09/2019	SELL	(160707)	(0.07)	779946	0.35
	At the end of the year	31/03/2020				779946	0.35
10.	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND#						
	At the beginning of the year	01/04/2019		2363065	1.03		
	Increase/Decrease in Shareholding during the year	26/04/2019	SELL	(60123)	(0.03)	2302942	1.01
		07/06/2019	SELL	(95409)	(0.04)	2207533	1.00
	At the end of the year	31/03/2020				2207533	1.00
11.	L&T MUTUAL FUND TRUSTEE LIMITED#						
	At the beginning of the year	01/04/2019		0	0.00		
	Increase/Decrease in Shareholding during the year	26/07/2019	BUY	1059677	0.48	1059677	0.48
		02/08/2019	BUY	1313448	0.60	2373125	1.08
		09/08/2019	BUY	234313	0.11	2607438	1.19
		16/08/2019	BUY	900000	0.41	3507438	1.59
		23/08/2019	BUY	700000	0.32	4207438	1.91
		30/08/2019	BUY	742738	0.34	4950176	2.25
		06/09/2019	BUY	16140	0.01	4966316	2.26
		13/09/2019	BUY	193525	0.09	5159841	2.35
		27/09/2019	BUY	133592	0.06	5293433	2.41
		04/10/2019	BUY	150000	0.07	5443433	2.47
		11/10/2019	BUY	200000	0.09	5643433	2.57
		18/10/2019	BUY	20282	0.01	5663715	2.57
		25/10/2019	BUY	79718	0.04	5743433	2.61
		01/11/2019	BUY	14982	0.01	5758415	2.62
		08/11/2019	BUY	49831	0.02	5808246	2.64
		15/11/2019	BUY	235454	0.11	6043700	2.75
		13/12/2019	BUY	1128891	0.51	7172591	3.26
		20/12/2019	BUY	771328	0.35	7943919	3.61
		27/12/2019	BUY	609153	0.28	8553072	3.89
		31/12/2019	BUY	54595	0.02	8607667	3.91

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		03/01/2020	BUY	57124	0.03	8664791	3.94
		10/01/2020	BUY	143178	0.07	8807969	4.00
		28/02/2020	SELL	(143917)	(0.07)	8664052	3.94
		06/03/2020	SELL	(412328)	(0.19)	8251724	3.75
	At the end of the year	31/03/2020				8251724	3.75
12.	GOLDMAN SACHS INDIA LIMITED#						
	At the beginning of the year	01/04/2019		0	0.00		
	Increase/Decrease in Shareholding during the year	26/04/2019	BUY	1338966	0.59	1338966	0.59
		03/05/2019	BUY	896471	0.39	2235437	0.98
		10/05/2019	BUY	757000	0.33	2992437	1.31
		05/07/2019	BUY	546005	0.25	3538442	1.61
		12/07/2019	BUY	276615	0.13	3815057	1.73
		22/11/2019	BUY	125922	0.06	3940979	1.79
		29/11/2019	BUY	43374	0.02	3984353	1.81
		13/12/2019	SELL	(152021)	(0.07)	3832332	1.74
		14/02/2020	BUY	716259	0.33	4548591	2.07
		21/02/2020	BUY	471199	0.21	5019790	2.28
		13/03/2020	SELL	(138118)	(0.06)	4881672	2.22
		20/03/2020	SELL	(158505)	(0.07)	4723167	2.15
	At the end of the year	31/03/2020				4723167	2.15
13.	KUWAIT INVESTMENT AUTHORITY FUND#						
	At the beginning of the year	01/04/2019		0	0.00		
	Increase/Decrease in Shareholding during the year	27/09/2019	BUY	1944797	0.88	1944797	0.88
		04/10/2019	BUY	1000000	0.45	2944797	1.34
		11/10/2019	BUY	255203	0.12	3200000	1.45
	At the end of the year	31/03/2020				3200000	1.45
14.	ABAKKUS GROWTH FUND-1#						
	At the beginning of the year	01/04/2019		1300000	0.57		
	Increase/Decrease in Shareholding during the year	05/04/2019	BUY	280461	0.12	1580461	0.69
		07/06/2019	SELL	(101744)	(0.05)	1478717	0.67
		14/06/2019	BUY	101283	0.05	1580000	0.72
		09/08/2019	BUY	200000	0.09	1780000	0.81
		06/09/2019	BUY	120000	0.05	1900000	0.86
		20/12/2019	BUY	300000	0.14	2200000	1.00
		06/03/2020	BUY	200000	0.09	2400000	1.09
	At the end of the year	31/03/2020				2400000	1.09

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
15.	DIMENSIONAL EMERGING MARKETS VALUE FUND#						
	At the beginning of the year	01/04/2019		2273021	1.00		
	Increase/Decrease in Shareholding during the year	12/04/2019	BUY	82473	0.04	2355494	1.03
		19/04/2019	BUY	18864	0.01	2374358	1.04
		26/04/2019	BUY	23948	0.01	2398306	1.05
		10/05/2019	BUY	196835	0.09	2595141	1.14
		17/05/2019	BUY	58237	0.03	2653378	1.16
		07/06/2019	SELL	(80034)	(0.04)	2573344	1.17
		15/11/2019	SELL	(61761)	(0.03)	2511583	1.14
		29/11/2019	SELL	(49529)	(0.02)	2462054	1.12
		06/12/2019	SELL	(46317)	(0.02)	2415737	1.10
		07/02/2020	SELL	(50234)	(0.02)	2365503	1.08
		06/03/2020	SELL	(5556)	(0.01)	2359947	1.07
		13/03/2020	SELL	(12718)	(0.01)	2347229	1.07
		20/03/2020	SELL	(24513)	(0.01)	2322716	1.06
		27/03/2020	SELL	(17073)	(0.01)	2305643	1.05
	At the end of the year	31/03/2020				2305643	1.05
16.	VANGUARD EMERGING MARKETS STOCK INDEX FUND #						
	At the beginning of the year	01/04/2019		2244300	0.98		
	Increase/Decrease in Shareholding during the year	07/06/2019	SELL	(91067)	(0.04)	2153233	0.98
	At the end of the year	31/03/2020				2153233	0.98

Note: Other than the change in shareholding due to purchase or sale of shares, the percentage of shareholding during the year has also changed consequent to the extinguishment of equity share capital on 10.06.2019.

*During the year ceased to be in the list of Top Ten Shareholders.

Not in the list of Top 10 shareholders as on 01.04.2019. The same has been reflected above since the shareholder was one of the Top Ten Shareholders as on 31.03.2020.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Shri Vivek Saraogi, Managing Director				
	At the beginning of the year	35680017	15.62		
	Changes during the year				
	Buyback of shares 03.06.2019	1210833	0.55	34469184	15.67
	Inter se Transfer on 30.12.2019	1400000	0.64	35869184	16.30
	At the end of the year			35869184	16.30

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2.	Late (Shri) R. N. Das, Independent Director#				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00
3.	Shri D. K. Mittal, Independent Director				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00
4.	Shri Krishnava Dutt, Independent Director				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00
5.	Smt. Novel S. Lavasa, Independent Director*				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00
6.	Dr. Arvind Krishna Saxena, Whole-time Director				
	At the beginning of the year	16407	0.01		
	Changes during the year				
	Buyback of shares 03.06.2019	694	0.00	15713	0.01
	At the end of the year			15713	0.01
7.	Shri Sakti Prasad Ghosh, Independent Director				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00
8.	Shri Sumit Mazumder, Independent Director				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00
9.	Shri Naresh Dayal, Non - Executive Director				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00
10.	Ms. Veena Hingarh^				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00
11.	Shri Nitin Bagaria, Company Secretary~				
	At the beginning of the year	6	0.00		
	Changes during the year	Nil	Nil	6	0.00
	At the end of the year			6	0.00

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
12.	Shri Pramod Patwari, Chief Financial Officer				
	At the beginning of the year	0	0.00		
	Changes during the year	Nil	Nil	0	0.00
	At the end of the year			0	0.00

Ceased from directorship of the Company consequent to his sad demise on 3rd December, 2019.
* Resigned with effect from 31st May, 2019 (closure of business hours).
^ Appointed with effect from 31st August, 2019.
~Ceased with effect from 5th May, 2020

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lacs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,77,041.16	-	-	1,77,041.16
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	655.60	-	-	655.60
Total (i+ii+iii)	**1,77,696.76**	**-**	**-**	**1,77,696.76**
Change in Indebtedness during the financial year				
i) Principal Amount				
Addition*	13,563.57	248.70	-	13,812.27
Reduction*	40,140.86	8.32	-	40,149.18
Net Change	**(26,577.29)**	**240.38**	**-**	**(26,336.91)**
Indebtedness at the end of the financial year				
i) Principal Amount	1,50,458.50	240.38	-	1,50,698.88
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	660.97	-	-	660.97
Total (i+ii+iii)	**1,51,119.47**	**240.38**		**1,51,359.85**

* Includes an amount towards interest accrued but not due under Secured Loans excluding Deposits

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shri Vivek Saraogi	Dr. Arvind Krishna Saxena	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	240.00	25.10	**265.10**
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	7.63	3.83	**11.46**
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	**-**

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Shri Vivek Saraogi	Dr. Arvind Krishna Saxena	
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	360.00	-	360.00
5.	Others, please specify	-	-	-
	Total (A)	607.63	28.93	636.56
	Ceiling as per the Act	10% of the net profit, calculated as per Section 198 of the Companies Act, 2013.		

B. Remuneration to other directors:

(₹ in Lacs)

Particulars of Remuneration	Name of Directors								Total Amount
	Shri Sumit Mazumder	Late (Shri) R. N. Das*	Shri D. K. Mittal	Shri Krishnava Dutt	Shri S. P. Ghosh	Smt. Novel S Lavasa#	Ms. Veena Hingarh^	Shri Naresh Dayal	
Independent Directors									
Fee for attending board/ committee meetings	3.00	4.20	4.60	2.80	8.00	0.40	1.00	-	24.00
Commission	21.00	-	21.00	14.00	14.00	-	8.20	-	78.20
Others, please specify	-	-	-	-	-	-	-	-	-
Total (1)	24.00	4.20	25.60	16.80	22.00	0.40	9.20	-	102.20
Other Non-Executive Directors									
Fee for attending board/ committee meetings	-	-	-	-	-	-	-	3.00	3.00
Commission	-	-	-	-	-	-	-	14.00	14.00
Others, please specify	-	-	-	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-	-	17.00	17.00
Total (B)=(1+2)	24.00	4.20	25.60	16.80	22.00	0.40	9.20	17.00	119.20
Total Managerial Remuneration [(A) + (B)]									755.76
Overall Ceiling as per the Act	11% of the net profit, calculated as per Section 198 of the Companies Act, 2013.								

Commission relates to the financial year 2019-2020 and shall be paid after the 44th Annual General Meeting. Commission and Sitting Fees are net off GST.

* Ceased from directorship of the Company consequent to his sad demise on 3rd December, 2019.

Resigned with effect from 31st May, 2019 (closure of business hours).

^ Appointed with effect from 31st August, 2019.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
			Shri Nitin Bagaria*	Shri Pramod Patwari	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	37.32	88.14	125.46
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	N.A.	0.40	1.13	1.53
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	N.A.	-	-	-
2.	Stock Option	N.A.	-	-	-
3.	Sweat Equity	N.A.	-	-	-
4.	Commission	N.A.	-	-	-
	- as % of profit	N.A.	-	-	-
	Others, specify	N.A.	-	-	-
5.	Others, please specify	N.A.	-	-	-
	Total		**37.72**	**89.27**	**126.99**

*Ceased with effect from 5th May, 2020

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

For and on behalf of the Board of Directors

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

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419
Place: Kolkata

Date: 23rd June, 2020

ANNEXURE VII

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Code of Governance

Corporate Governance refers to, but not limited to, a set of laws, regulations and good practices & systems that enable an organisation to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. Sound governance practices and responsible corporate behaviour contribute to superior long term performance of organisations. Corporate Governance requires everyone to raise their level of competency and capability to meet the expectations in managing the enterprise and its resources optimally with prudent ethical standards.

The Company recognises that good corporate governance is a continuous exercise. Adherence to transparency, accountability, fairness and ethical standards are an integral part of the Company's function. The Company's structure, business dealings, administration and disclosure practices are aligned to good corporate governance philosophy. The Company has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development which benefits all the stakeholders. The Company also aims to increase and sustain its corporate values through growth and innovation.

Date of Report

The information provided in this Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2020. This Report is updated as on the date of the Report wherever applicable.

Board of Directors

The Company recognises the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations") mandate that for a company with a non-executive chairman, atleast one third of the board should comprise of independent directors. As on 31st March, 2020, the Board comprised of 8 (eight) directors, of which 5 (five) were Independent Directors including the Chairman. The composition of the Board is in conformity with the requirements of Regulation 17(1) of the Listing Regulations.

The composition of the Board of Directors, the number of other committees of which a director is a Member/ Chairperson and the attendance of each director at the Board Meetings and the last Annual General Meeting (AGM) of the Company were as follows:

Name of the Directors and Category	No. of membership on Board committees including the Company^	No. of chairmanship on Board committees including the Company^	No. of Board meetings attended during the year 2019-20	Attendance at last AGM held on 30.08.2019
Shri Sumit Mazumder (Chairman) (ID)	4	0	5	Yes
Shri Vivek Saraogi (Managing Director) (PE)	1	0	6	Yes
Shri D. K. Mittal (ID)	7	3	4	No
Late Shri R. N. Das (ID) (Ceased w.e.f. 03.12.2019)	N.A.	N.A.	5*	Yes
Shri Krishnava Dutt(ID)	7	5	3	No
Smt. Novel S Lavasa (ID) (Ceased w.e.f. 31.05.2019)	N.A.	N.A.	1*	N.A.
Shri Sakti Prasad Ghosh (ID)	5	1	6	No
Dr. Arvind Krishna Saxena (Whole-time Director) (NPE)	0	0	5	No
Shri Naresh Dayal (NED)	1	0	5	Yes
Ms. Veena Hingarh (ID) (Appointed w.e.f. 31.08.2019)	2	0	2	N.A.

ID- Independent, Non-Executive; PE- Promoter, Executive; NPE- Non-Promoter, Executive; NED- Non-Independent, Non-Executive

The Committee positions are based on the latest disclosures received by the Company.

^Only membership/ chairmanship of the Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies have been considered.

*Details given are as on the date of their cessation as directors of the Company.

The Independent Directors of the Company have confirmed that they meet the criteria for "independence" and / or "eligibility" as prescribed under the Listing Regulations and Section 149 of the Companies Act, 2013 (as amended) (the "Act") and in the opinion of the Board, the independent directors of the Company fulfill the conditions specified under the Listing Regulations and are independent of the management. None of the directors of the Company are related to each other. The Company is in compliance with the provisions regarding Board, its composition and committees under the Act and the Listing Regulations.

During the year 2019-20, Smt. Novel S Lavasa, (Independent Director) had resigned from the office of Independent Director of the Company with effect from 31st May, 2019 owing to her eye operation and limitations arising out of same. Smt. Lavasa confirmed that there were no other reasons attributable / connected with the Company for her resignation.

Further, due to sad demise of Late (Shri) R. N. Das, he ceased to be independent director of the Company with effect from 3rd of December, 2019.

As required under Para C of Schedule V to the Listing Regulations, based on the latest disclosures received by the Company, following are the number of other directorships and the names of the listed entities where the directors of the Company are also a director and the category of their directorships therein:

Name of the Directors	No. of Directorships@	Directorships and its category in listed entities
Shri Sumit Mazumder	4	Balrampur Chini Mills Limited (ID)
		Jay Shree Tea and Industries Limited (ID)
		TIL Limited (PE)
Shri Vivek Saraogi	1	Balrampur Chini Mills Limited (PE)
Shri D. K. Mittal	10	Balrampur Chini Mills Limited (ID)
		Max Financial Services Limited (ID)
		Bharti Airtel Limited (ID)
		Max India Limited (ID) (upto 16.04.2020)
		Max Ventures and Industries Limited (ID)
		Trident Limited (ID)
Shri Krishnava Dutt	6	Balrampur Chini Mills Limited (ID)
		Tata Metaliks Limited (ID)
		Tata Steel BSL Limited (ID)
		TRF Limited (ID)
Shri Sakti Prasad Ghosh	5	Balrampur Chini Mills Limited (ID)
		Shristi Infrastructure Development Corporation Limited (ID)
Dr. Arvind Krishna Saxena	1	Balrampur Chini Mills Limited (NPE)
Shri Naresh Dayal	1	Balrampur Chini Mills Limited (NED)
Ms. Veena Hingarh	2	Balrampur Chini Mills Limited (ID)
		TIL Limited (ID)
Late Shri R. N. Das (ceased w.e.f. 03-12-2019)	1	Balrampur Chini Mills Limited (ID)
Smt. Novel S Lavasa (ceased w.e.f. 31-05-2019)	2	Balrampur Chini Mills Limited (ID)
		Omax Autos Limited (ID)

ID- Independent, Non-Executive; PE- Promoter, Executive; NPE- Non-Promoter, Executive; NED- Non-Independent, Non-Executive

@Excludes memberships of the managing committee of various chambers/bodies, directorships in private limited companies, foreign companies, companies registered under section 8 of the Act and alternate directorships.

None of the directors on the Board of the Company is a member of more than 10 committees or Chairperson of more than 5 committees, reckoned in terms of Regulation 26 of the Listing Regulations. The Independent Directors of the Company do not serve in more than the prescribed number of companies as independent directors in terms of the requirements of the Listing Regulations.

The Board has devised proper system to ensure compliance with the provisions of all applicable laws and periodically reviewed the compliance reports of all laws applicable to the Company and necessary steps were taken to ensure the compliance in letter and spirit.

The Board of Directors of the Company met 6 (six) times during the year 2019-20. Atleast one meeting of the Board was held in every quarter and the time gap between any two consecutive board meetings did not exceed 120 days during the year 2019-20. The details are as follows:

Sl. No.	Date of Board Meetings	Board Strength (No. of Directors)	No. of Directors Present	No. of Independent Directors Present
1.	5th April, 2019	9	5	3
2.	25th May, 2019	9	8	5
3.	7th August, 2019	8	8	5
4.	30th August, 2019	8	5	3
5.	11th November, 2019	9	9	6
6.	10th February, 2020	8	7	4

The Directors were offered option to access the complete agenda for meetings along with all relevant annexures and other important information on their respective i-Pads/ tablets/ laptops through a software platform that allows secured log in and access to data on the device in online and offline modes as well as functionality to make private notes and comments ahead of the meetings and many other advanced features.

Disclosures regarding appointment / re-appointment of the directors have been furnished in the Notice convening the 44th Annual General Meeting of the Company, which forms part of the Annual Report.

Core Skills / Expertise / Competencies available with the Board

In pursuance of Para C(2), Schedule V to the Listing Regulations, the Board of Directors of the Company at its meeting held on 4th February, 2019 has identified the core skills/expertise/competencies that are desirable for the Company to function effectively in the context of the business of the Company and its sector.

The Board of the Company comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. While all the Board members possess the skills identified, their area of core expertise is given below:

Name of the Director	Area of Expertise	Name of the Director	Area of Expertise
Shri Sumit Mazumder	Economics Accounting and Finance Information Technology Statutory Compliance Risk Management Business Planning and Strategy Human Resource Management Engineering and Technology Corporate Affairs Interpersonal relations Leadership	Shri Vivek Saraogi	Industry Experience Industry knowledge Understanding of relevant laws, rules, regulation and policy Economics Accounting and Finance Statutory Compliance Risk Management Business Planning and Strategy Auditing Human Resource Management Engineering and Technology Corporate Affairs Agri Research & Development Interpersonal relations Leadership

Name of the Director	Area of Expertise	Name of the Director	Area of Expertise
Shri Dinesh Kumar Mittal	Industry knowledge Understanding of relevant laws, rules, regulation and policy Economics Accounting and Finance Statutory Compliance Risk Management Business Planning and Strategy Human Resource Management Corporate Affairs Agri Research & Development Interpersonal relations Leadership	Dr. Arvind Kumar Saxena	Industry Experience Industry knowledge Understanding of relevant laws, rules, regulation and policy Statutory Compliance Risk Management Business Planning and Strategy Auditing Corporate Affairs Agri Research & Development Interpersonal relations Leadership
Shri Sakti Prasad Ghosh	Economics Accounting and Finance Information Technology Statutory Compliance Risk Management Business Planning and Strategy Auditing Interpersonal relations Leadership	Shri Naresh Dayal	Industry knowledge Understanding of relevant laws, rules, regulation and policy Economics Statutory Compliance Business Planning and Strategy Human Resource Management Corporate Affairs Agri Research & Development Interpersonal relations Leadership
Shri Krishnava Dutt	Understanding of relevant laws, rules, regulation and policy Corporate Affairs Interpersonal relations Leadership	Ms. Veena Hingarh	Industry Experience Accounting and Finance Information Technology Statutory Compliance Auditing Interpersonal relations Leadership

Board Training and Familiarisation Programme

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

The details of such programmes for familiarisation of the Independent Directors are put on the website of the Company at the following web-link:

http://chini.com/wp-content/uploads/2019/08/familiarisation_programme_2019.pdf

Independent Directors' Separate Meeting

Schedule IV to the Act and the Listing Regulations mandates the Independent Directors of the Company to hold atleast one meeting in every financial year, without the attendance of non-independent directors and members of the management. During the year ended 31st March, 2020, the Independent Directors met on 10th February, 2020, inter alia, to review performance of Non-Independent Directors & the Board as a whole, to review performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

Lead Independent Director

Although not mandatory, the Board has appointed Shri D. K. Mittal as the Lead Independent Director at its meeting held on 31st July, 2017. The Lead Independent Director provides leadership to the Independent Directors and liaisons between the Independent Directors and the Management / Board / Shareholders.

Code of Conduct

Regulation 17(5) of the Listing Regulations requires every listed company to have a Code of Conduct for its directors and senior management. Further, Schedule IV of the Act requires the appointment of Independent Director to be formalised through a letter of appointment, which shall set out the Code for Business Ethics that the Company expects its directors and employees to follow. The said Schedule also requires the Independent Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

In terms of the above, there exists a comprehensive Code of Conduct for all Directors, Senior Management Personnel and all other employees of the Company and the same is available on the website of the Company at the following web-link:

http://chini.com/wp-content/uploads/2018/04/Code_of_Conduct.pdf

All Directors and Senior Management Personnel have affirmed compliance with the Code for the financial year 2019-20. A declaration to this effect signed by the Managing Director is annexed to this Report.

Board Committees

The Board has constituted various committees consisting of Executive and Non-Executive Directors of the Company to meet various mandatory requirements of the Act and the Listing Regulations as well as to perform other critical functions. Currently, the Board has 6(six) committees, viz., Audit Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Executive Committee. The Share Transfer Committee has been de-constituted by the Board of Directors of the Company at its meeting held on 11th November, 2019 from the closure of the business hours of 30th November, 2019. The compositions of the said committees have also been disclosed on the website of the Company. The Company Secretary acts as the Secretary to all the Committees of the Board.

Audit Committee

The Board of Directors of the Company has constituted a qualified and independent Audit Committee that acts as a link between the management, the Statutory, Internal Auditors and the Board.

Terms of Reference

The terms of reference of the Audit Committee are in conformity with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. Terms of reference of the Audit Committee includes overseeing the financial reporting process, review of financial statements, ensuring compliance with the regulatory guidelines, review of internal audit reports, recommending appointment and remuneration of auditors to the Board of Directors and to review adequacy of internal control systems and internal audit function and other matters specified for Audit Committee under the Listing Regulations and the Act. The Audit Committee also reviews information as per the requirement of Part C of Schedule II to the Listing Regulations.

Composition, Meetings and Attendance

The composition of the Audit Committee is in accordance with the provisions of the Act and Regulation 18 of the Listing Regulations.

Due to sad demise of Late (Shri) R. N. Das, Chairman of the Audit Committee on 3rd December, 2019, the Board of Directors of the Company by a resolution passed through circulation has reconstituted the Audit Committee (effective from 4th December, 2019). Shri D. K. Mittal was designated as the Chairman of the Committee and Shri Naresh Dayal, was inducted as a member of the Committee. Shri Dayal was apprised about the terms of reference and role as a member of the Committee. As on 31st March, 2020, the Audit Committee comprised of 4 (four) directors consisting of 3 (three) Independent Directors and 1(one) Non-Executive Non-Independent Director. All the members of the Audit Committee are financially literate and half of them are having accounting or related financial management expertise. The Chairman of the Committee is an Independent (Non-Executive) Director, nominated by the Board. The Committee meetings were attended by the Statutory Auditors, the Managing Director and the Chief Financial Officer of the Company as invitees. The Committee also invited the representatives of Internal Auditors for obtaining valuable guidance from their expertise in best practices in Internal Audit. The Cost Auditors were also invited whenever the Cost Audit related matters were considered. The minutes of the Audit Committee meetings were circulated to the Board, discussed and taken note of. All recommendations made by the Audit Committee during the year were accepted by the Board.

Atleast one meeting of the Audit Committee was held in every quarter and the time gap between any two consecutive meetings of the Audit Committee did not exceed 120 days during the year 2019-20. During the year ended 31st March, 2020, 4 (four) Audit Committee meetings were held on 25th May, 2019, 7th August, 2019, 11th November, 2019 and 10th February, 2020. The composition and attendance of the members of the Audit Committee are as follows:

Sl.No.	Name of the Directors	Position	No. of meetings attended
1.	Late (Shri) R. N. Das	Chairman (upto 03.12.2019)	3
2.	Shri D. K. Mittal	Chairman (from 04.12.2019)	4
3.	Shri Krishnava Dutt	Member	3
4.	Shri Sakti Prasad Ghosh	Member	4
5.	Shri Naresh Dayal	Member (from 04.12.2019)	1

Late (Shri) R. N. Das, then Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the queries related to accounts to the satisfaction of the shareholders.

Nomination & Remuneration Committee

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee cover all the areas mentioned under Regulation 19 of the Listing Regulations and Section 178 of the Act. The broad terms of reference of the Committee includes:

(i) To formulate the criteria for determining qualifications, positive attributes and independence of a Director;

(ii) To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel, and other employees of the Company;

(iii) To identify persons who are qualified to become directors and who may be appointed in senior management;

(iv) To evaluate the performance of all Directors.

Composition, Meetings and Attendance

The Nomination & Remuneration Committee has been re-constituted by the Board twice during the financial year ended 31st March, 2020. Due to resignation of Smt. Novel S. Lavasa, the Board at its meeting held on 25th May, 2019, reconstituted the Committee (effective 1st June, 2019) by inducting Shri S. P. Ghosh as a member. Thereafter, due to sad demise of Late (Shri) R. N. Das on 3rd December, 2019, the Board by its resolution passed through circulation reconstituted the Committee (effective 4th December, 2019) by inducting Shri Naresh Dayal as a member. Both, Shri Ghosh and Shri Dayal, were apprised about the terms of reference and role of the Committee at the time of induction. As on 31st March, 2020, the Nomination & Remuneration Committee comprised of 3(three) Non-Executive directors, two of whom are Independent Directors.

During the year ended 31st March, 2020, 4 (four) Nomination & Remuneration Committee meetings were held on 25th May, 2019, 30th August, 2019, 11th November, 2019 and 10th February, 2020. The composition and attendance of the members of the Nomination & Remuneration Committee are as follows:

Sl.No.	Name of the Directors	Position	No. of meetings attended
1.	Shri D. K. Mittal	Chairman	3
2.	Late (Shri) R. N. Das	Member (upto 03.12.2019)	3
3.	Smt. Novel S Lavasa	Member (upto 31.05.2019)	0
4.	Shri S. P. Ghosh	Member (from 01.06.2019)	3
5.	Shri Naresh Dayal	Member (from 04.12.2019)	1

The representative of the Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting of the Company to answer the queries of the shareholders.

Remuneration Policy

The Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors is annexed to the Board's Report and is also available on the Company's website.

The Non- Executive Directors do not have any pecuniary relationship/ transaction with the Company in their personal capacity other than Commission (not exceeding the limits prescribed under the Companies Act, 2013) and Sitting Fees and reimbursement of expenses for attending meetings of the Board and Committees thereof. The Directors are paid @ ₹40,000/- for attending each meeting of the Board and ₹20,000/- for attending each meeting of the Committees thereof, except for Audit Committee. The sitting fees for attending each meeting of Audit Committee is ₹40,000/-. The aggregate annual commission payable to the Non-Executive Directors is upto one percent of the net profit of the Company or ₹125 Lacs (effective from 1st April, 2019), plus applicable taxes, whichever is lower, in such proportion and manner as fixed by the Board of Directors.

The Commission payable to the Managing Director is at the rate of one percent of the net profit of the Company, subject to a ceiling of ₹360 Lacs p.a.

Details of remuneration paid / payable to the Directors for the year ended 31st March, 2020 and their shareholding as on that date is as under:

Name of the Directors	Salary (₹)	Perquisites / Benefits (₹)	Commission (₹)	Sitting Fees (₹)	Total (₹)	Service Contract/Notice period/ Severance Fees	Shareholding (Equity) (No.)
Shri Vivek Saraogi	2,40,00,000	36,43,030	3,60,00,000	-	6,36,43,030	Term of office valid upto 31.03.2022. No notice period and no severance fees	3,58,69,184
Late (Shri) R. N. Das	-	-	-	4,20,000	4,20,000	Ceased to be director due to sad demise on 03.12.2019	Nil
Shri D.K. Mittal	-	-	21,00,000	4,60,000	25,60,000	Re-appointed as Independent Director from 01.04.2019 to 31.03.2024	Nil
Shri Krishnava Dutt	-	-	14,00,000	2,80,000	16,80,000	Re-appointed as Independent Director from01.04.2019 to 31.03.2024	Nil
Smt. Novel S Lavasa	-	-	-	40,000	40,000	Resigned w.e.f. 31.05.2019	Nil
Shri Sakti Prasad Ghosh	-	-	14,00,000	8,00,000	22,00,000	Appointed as Independent Director upto 30.09.2020	Nil
Dr. Arvind Krishna Saxena	25,10,000	6,42,374	-	-	31,52,374	Term of office valid upto 31.07.2022 subject to re-appointment after retirement by rotation. No notice period, no severance fees	15,713
Shri Sumit Mazumder	-	-	21,00,000	3,00,000	24,00,000	Appointed as Independent Director upto 30.04.2021	Nil
Shri Naresh Dayal	-	-	14,00,000	3,00,000	17,00,000	Liable to retire by rotation.	Nil
Ms. Veena Hingarh	-	-	8,20,000	1,00,000	9,20,000	Appointed as Additional Independent Director w.e.f. 31.08.2019	Nil

Note – The Company's contributions to provident fund have been shown under head 'Benefits' in the above Table. Commission relates to the financial year 2019-20 and shall be paid after the 44th Annual General Meeting. Sitting Fees and Commission are net off GST. None of the Directors of the Company hold any convertible instruments of the Company.

Other terms and conditions of appointment of the Independent Directors have been disclosed on the website of the Company at the following web-link:
http://chini.com/wp-content/uploads/2018/07/Terms_and_conditions_of_appointment_of_Non-Executive_Independent_Director.pdf

Performance Evaluation and Criteria

Pursuant to the Section 178 of the Act and the Listing Regulations, the Nomination & Remuneration Committee (NRC) has specified the manner for performance evaluation of the Board, its Committees and Individual Directors. Accordingly, the Board has carried out the performance evaluation of its own performance and that of its Committees as well as evaluation of performance of the Directors individually. The performance evaluation of the Independent Directors was also carried out by the entire Board (excluding the director being evaluated).

The performance evaluation of the Board, its Chairman and the Non-Independent Directors were carried out by the Independent Directors. The NRC also reviewed the implementation of the criteria specified for performance evaluation and also formulated its feedback for supporting the Board in carrying out such evaluation of the performance. The evaluation of performance for the year 2019-20 was carried out through structured questionnaires (based on various aspects of the Board's functioning, composition, its committees, culture, governance, execution and performance of statutory duties and obligations). The questionnaire covers all aspects prescribed by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017. The Board expressed its satisfaction with the evaluation process and results thereof.

Risk Management Committee

In compliance with Regulation 21 of the Listing Regulations, the Board of Directors of the Company has constituted Risk Management Committee (RMC) effective from 1st April, 2019 to review, in particular, the Risk Management Policy of the Company, the effectiveness and adequacy of the Risk Management Systems of the Company, including cyber security, etc.

Terms of Reference

The terms of reference of the Risk Management Committee are as follows:

(i) To periodically review the Risk Management Policy of the Company.

(ii) To periodically review the effectiveness and adequacy of the Risk Management Systems of the Company, including cyber security.

(iii) To perform such other function as may be delegated by the Board from time to time.

Composition, Meetings and Attendance

Due to sad demise of Late (Shri) R. N. Das, Chairman of the Risk Management Committee on 3rd December, 2019, the Board of Directors of the Company by its resolution passed through circulation reconstituted the Committee (effective 4th December, 2019) by inducting Shri Naresh Dayal as a member who was apprised about the terms of reference and role of the Committee. As on 31st March, 2020, RMC comprised of 4 (four) directors, all of whom are Non-Executive, Independent Directors except Shri Naresh Dayal who is a Non-Executive Non-Independent Director. During the year ended 31st March, 2020, 1 (One) RMC meeting was held on 7th August, 2019. The composition and attendance of the members of the RMC are as follows:

Sl.No.	Name of the Directors	Position	No. of meetings attended
1.	Late (Shri) R. N. Das	Chairman (upto 03.12.2019)	1
2.	Shri D. K. Mittal	Chairman (from 04.12.2019)	1
3.	Shri Krishnava Dutt	Member	1
4.	Shri Sakti Prasad Ghosh	Member	1
5.	Shri Naresh Dayal	Member (from 04.12.2019)	N.A.

Executive Committee

The Executive Committee, constituted by the Board of Directors of the Company, met 11 (eleven) times during the year 2019-20. The terms of reference of the said Committee, inter alia, includes the following:

i. To approve and / or authorise opening of bank accounts, cash credit, current, dividend payment or otherwise and to give instructions relating to such banking accounts.

ii. To approve and / or authorise opening of Demat Accounts, Trading Accounts and to give instructions relating to such accounts.

iii. To borrow money/monies, from time to time, for the purpose of the Company, from banks / Financial Institutions.

iv. To authorise affixation of the Company's Common Seal.

v. To confer signing powers and authorities on such officers and employees of the Company as deemed fit for various operational and statutory matters.

vi. To perform such other function as may be delegated by the Board of Directors from time to time.

vii. To deal with the various aspects of interest of shareholders of the Company (w.e.f. 1st December, 2019).

The details of the composition, meetings and attendance of the members of the Executive Committee are as follows:

Sl.No.	Name of the Directors	Position	No. of meetings attended	Date of meetings
1.	Shri S. P. Ghosh	Member*	8	12th April, 2019 • 29th June, 2019 • 17th July, 2019 • 16th September, 2019 • 16th October, 2019 • 30th November, 2019 • 20th December, 2019 • 17th January, 2020 • 3th February, 2020 • 22nd February, 2020 • 14th March, 2020
2.	Shri Sumit Mazumder	Member	1	
3.	Shri Vivek Saraogi	Member	11	
4.	Dr. A. K. Saxena	Member	2	

(*the Committee doesn't have a regular Chairman, however, whenever Shri S. P. Ghosh was present, he was elected as the Chairman of the Committee for the meeting.)

Corporate Social Responsibility (CSR) Committee

Pursuant to the provisions of the Act, the CSR Committee is required to recommend the amount of expenditure to be incurred for undertaking CSR activities by the Company in terms of the Corporate Social Responsibility Policy. It also monitors the CSR Policy of the Company from time to time. During the year ended 31st March, 2020, the Board of Directors of the Company has reconstituted the CSR Committee by inducting Shri Sumit Mazumder as member, who was apprised about the terms of reference and role of the Committee at the time of induction and Shri Naresh Dayal who was already a member was designated as the Chairperson of the Committee by the Board. During the year ended 31st March, 2020, 2 (two) CSR Committee meetings were held on 25th May, 2019 and 10th February, 2020. The composition and attendance of the members of the CSR Committee are as follows:

Sl. No.	Name of the Directors	Position	Category	No. of meetings attended
1.	Smt. Novel S Lavasa	Chairperson (upto 31.05.2019)	Independent, Non-Executive	0
2.	Shri D. K. Mittal	Member	Independent, Non-Executive	2
3.	Shri Vivek Saraogi	Member	Promoter, Executive	2
4.	Shri Naresh Dayal	Chairperson (from 01.06.2019)	Non-Independent, Non-Executive	2
5.	Shri Sumit Mazumder	Member (from 01.06.2019)	Independent, Non-Executive	1

Shareholders' Committees

i) Stakeholders Relationship Committee

The Stakeholders' Relationship Committee (SRC) considers and resolves grievances of the security holders of the Company. The Board of Directors of the Company due to sad demise Late (Shri) R. N. Das on 3rd December, 2019 has reconstituted SRC by inducting Ms. Veena Hingarh who was apprised about the terms of reference and role of the Committee at the time of induction. The SRC also oversees all matters stipulated in Para B, Part of D of Schedule II to the Listing Regulations, as given below:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the year ended 31st March, 2020, 1(One) SRC meeting was held on 7th August, 2019. The composition and attendance of the members of the SRC are as follows:

Sl. No.	Name of the Directors	Position	Category	No. of meetings attended
1.	Late (Shri) R. N. Das	Chairman (upto 03.12.2019)	Independent, Non-Executive	1
2.	Shri Krishnava Dutt	Chairman (from 04.12.2019)	Independent, Non-Executive	1
3.	Shri Vivek Saraogi	Member	Promoter, Executive	1
4.	Ms. Veena Hingarh	Member (from 04.12.2019)	Independent, Non-Executive	0

ii) Share Transfer Committee

The Share Transfer Committee (STC) of the Board dealt with various matters / requests relating to share transfer / transmission, allotment, issue of duplicate share certificates, demat / remat, split and consolidation requests and other matters relating to shares. Due to the amendments in the Listing Regulations, transfer of shares in physical form was disallowed. In view of the same, the Board of Directors of the Company at its meeting held on 11th November, 2019 has de-constituted STC from closure of the business hours of 30th November, 2019. During the year 2019-20, 8 (eight) meetings of Share Transfer Committee were held upto 30th November, 2019.

The details of the composition, meetings and attendance of the members of the Share Transfer Committee (upto 30th November, 2019) are as follows:

Sl. No.	Name of the Directors	Position	Category	No. of meetings attended	Date of meetings
1.	Shri S. P. Ghosh	Chairman	Independent, Non-Executive	7	18th April, 2019 • 30th May, 2019 • 8th June, 2019 • 25th June, 2019 • 16th July, 2019 • 16th September, 2019 • 1st October, 2019 • 30th November, 2019
2.	Late(Shri) R. N. Das	Member	Independent, Non-Executive	0	
3.	Shri Vivek Saraogi	Member	Promoter, Executive	7	
4.	Shri Sumit Mazumder	Member	Independent, Non-Executive	2	

Compliance Officer

Shri Nitin Bagaria, Company Secretary of the Company, was the Compliance Officer of the Company upto 5th May, 2020. Owing to his resignation w.e.f. 5th May, 2020 the Board of Directors had designated Shri Pramod Patwari, Chief Financial Officer of the Company (who is also a qualified company secretary) as the Compliance Officer of the Company w.e.f. 6th May, 2020 as an interim measure, till the appointment of new Company Secretary and Compliance Officer.

The Board of Directors of the Company has appointed Shri Manoj Agarwal, who is a Qualified Company Secretary and Chartered Accountant as the Company Secretary and Compliance Officer of the Company with effect from 23rd June, 2020 and accordingly, Shri Pramod Patwari has ceased to be the Compliance Officer of the Company with effect from that date.

Details of Shareholders' complaints

A total of 229 (Two Hundred Twenty Nine) complaints were received and replied to the satisfaction of the shareholders during the year ended 31st March, 2020. There were no outstanding complaints as on 31st March, 2020.

Nature of Complaints:

Description	Received and resolved during the Year
Non-receipt of securities	15
Non receipt of dividend (including warrants)	158
SEBI Complaints	3
Stock Exchange Complaints	1
Others – (e.g. Non-receipt of Annual reports, etc.,)	52
Total	**229**

The Company supports SCORES by using it as a platform for communication between SEBI and the Company. Also there are no pending complaints on the SCORES platform as on the date of this report.

General Body Meetings

Details of the last three Annual General Meetings are given below:

Accounting Year	Date	Location	Time	Special Resolution passed
2016-17	30.08.2017	'Vidya Mandir', 1, Moira Street, Kolkata – 700 017	11.00 A.M.	1. Re-appointment including payment of remuneration to Shri Vivek Saraogi (DIN: 00221419) as the Managing Director for a further term of 5 years with effect from 1st April, 2017. 2. Re-appointment including payment of remuneration to Dr. A. K. Saxena (DIN: 00846939) as a Whole-time Director for a further term of 5 years with effect from 1st August, 2017.
2017-18	31.08.2018		11.30 A.M.	None.
2018-19	30.08.2019		11.30 A.M.	1. Payment of commission to the Non-Executive Directors of the Company upto 1% per annum of the net profits of the Company or ₹1,25,00,000/- in aggregate, plus applicable taxes, whichever is lower, in any financial year, w.e.f. the financial year commencing from 1st April, 2019.

Details of Special Resolution passed through Postal Ballot

During the year ended 31st March, 2020, no special resolution was passed through postal ballot.

No special resolution was passed through ballot at the last AGM and no special resolution is proposed to be conducted through postal ballot.

Means of Communication

The extracts of the quarterly and annual financial results were published in the leading English and Bengali newspapers such as Business Standard (All editions) and Arthik Lipi and the full format of the results were filed with the Stock Exchanges on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the Listing Centre) and were available on the Stock Exchange websites; www.nseindia.com and www.bseindia.com.

The financial results, official news releases, presentations made to Institutional Investors and Analysts, concall transcripts with Analysts / Investors are hosted on the Company's website www.chini.com.

Apart from electronic copies of the Annual Report and Notices of the Annual General Meeting / Postal Ballot, etc., the Company sends quarterly individual communication regarding its performance to those shareholders whose email addresses are registered with the Company / Depository Participant(s).

Website

The Website of the Company (www.chini.com) provides ease of access to the required information to all the stakeholders. The website carries a comprehensive database of information of interest to the investors including the financial results of the Company, dividend declared, unclaimed dividend list, shareholding pattern, any price sensitive information disclosed to the regulatory authorities from time to time, credit rating, investor presentations and business activities of the Company.

General Shareholders' Information

Annual General Meeting (AGM) and Book Closure Dates

Accounting Year	Date, Day & Venue / Mode	Time	Book Closure Dates
2019- 20	Tuesday, 22nd September 2020 The Company is conducting AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	4.00 P.M. (IST)	Wednesday, 16th September 2020 to Tuesday, 22nd September, 2020 (both days inclusive)

Financial Year

The financial year of the Company is from 1st April to 31st March every year.

Financial year calendar for 2020-21 (Tentative)

Results for the quarter ending 30th June, 2020	–	2nd week of August, 2020
Results for the quarter ending 30th September, 2020	–	2nd week of November, 2020
Results for the quarter ending 31st December, 2020	–	2nd week of February, 2021
Results for the quarter ending/Annual 31st March, 2021	–	4th week of May, 2021

Dividend payment date

During the financial year ended 31st March, 2020, the Board of Directors of the Company at its meeting held on 11th November, 2019 had approved payment of Interim Dividend @ ₹2.50 per share (250% on the paid up share capital) to those shareholders/beneficiaries whose names appeared in the register of members/beneficial owners as on 22nd November, 2019 and the same was paid on and from 28th November, 2019. The Board of Directors of the Company has confirmed the said interim dividend as the final dividend for the year 2019-20.

Details of Listing of Equity Shares and Stock Code

National Stock Exchange of India Ltd.	**BSE Ltd.**
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051.	PJ Towers, Dalal Street, Fort, Mumbai 400 001.
Scrip Code: BALRAMCHIN	Scrip Code: 500038

The Company was also listed on the Calcutta Stock Exchange Limited (CSE), however, owing to no trading in the equity shares of the Company on the same for a considerable amount of time, the Company had applied for voluntary delisting of its equity shares from CSE under Regulation 6(a) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended, in November, 2019. The said application, for voluntary delisting has been approved by CSE vide its letter dated 20th December, 2019, w.e.f. 23rd December, 2019. However, the equity shares of the Company shall continue to remain listed on BSE and NSE which are the recognized stock exchanges and are having nation-wide trading terminals.

Listing Fees

Listing fee for the year 2020-21 has been paid to National Stock Exchange of India Limited and BSE Limited.

Depositories

National Securities Depository Ltd.	**Central Depository Services (India) Ltd.**
Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013.	Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai - 400013.

ISIN

INE119A01028 (Equity Shares)

Reuters Code

NSE – BACH.NS and BSE – BACH.BO

Market Price Data

(Face value of Re. 1 each)

NSE		Months	BSE	
High (₹)	Low (₹)		High (₹)	Low (₹)
153.20	128.65	April, 2019	153.00	128.80
169.00	134.00	May, 2019	167.00	134.15
165.00	125.65	June, 2019	164.00	125.90
165.35	138.80	July, 2019	165.40	139.20
145.45	109.55	August, 2019	145.40	109.65
173.90	128.40	September, 2019	173.75	129.00
167.00	147.35	October, 2019	166.95	147.10
170.35	141.40	November, 2019	170.35	141.60
187.00	152.60	December, 2019	187.00	152.80
195.00	165.30	January, 2020	195.00	165.35
177.40	137.00	February, 2020	177.00	137.25
147.95	68.95	March, 2020	147.90	68.80

Stock Performance in comparison to broad based indices

Financial year	NSE CNX NIFTY		BSE SENSEX	
	Change in BCML share price	Change in Nifty	Change in BCML share price	Change in SENSEX
2019-20	-24.11%	-26.03%	-23.90%	-23.80%

Credit Ratings

The Company has obtained credit ratings for the credit facilities sanctioned to it and the strong ratings ascribed by the Rating Agencies reflect the Company's financial discipline and prudence in debt management. Pursuant to Para C (9) of Schedule V to the Listing Regulations, details of the current credit rating profile of the Company are given below:

Facilities	Rating Agency	Rating
Long-term Scale	ICRA	AA/Stable
	CRISIL	AA/Stable
Short-term Scale	ICRA	A1+
	CRISIL	A1+
Commercial Papers	ICRA	A1+
	CRISIL	A1+

The letters assigning the aforesaid credit ratings and any revision thereof issued by the Rating Agencies are available on the website of the Company under the section "Investor Corner".

Registrar and Share Transfer Agent

KFin Technologies Private Limited	KFin Technologies Private Limited	
Apeejay House Block "B", 3rd Floor 15, Park Street, Kolkata – 700016	Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032	Tel. No. 040-67161500 Fax No. 040-23420814 Toll Free No.1800-345-4001 Email: einward.ris@kfintech.com Website: www.kfintech.com

The name of Karvy Fintech Private Limited has been changed to KFin Technologies Private Limited ("KFin") w.e.f. 5th December, 2019.

Share Transfer System

Pursuant to the amendment in the Listing Regulations and subsequent notification(s) issued by SEBI, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In this regard, SEBI had issued a Press Release clarifying that the said amendment does not prohibit an investor from holding shares in physical form and can hold shares in physical form even after 1st April, 2019. However, any investor who is desirous of transferring shares (which are held in physical form) after 1st April, 2019 can do so only after the shares are dematerialized.

Further, the transfer deed(s) once lodged prior to the deadline of 1st April, 2019 and returned due to deficiency in the document was allowed to be re-lodged for transfer even after the deadline and were processed within 15 days from the date of the receipt.

All valid share transfer requests are processed and put into effect within a maximum period of 15 days from the date of receipt.

Shareholding Pattern as on 31st March, 2020

Category	No. of Shares	% of Holding
Promoters' Holding (A)	9,04,20,566	41.10
Public Shareholding (B)		
Financial Institutions, Banks, NBFCs and Mutual Funds	2,80,78,138	12.76
Foreign Institutional Investors & Foreign Portfolio Investors	2,29,989	0.10
Corporate Bodies	67,42,620	3.06
NRIs	32,74,371	1.49
Trusts	4,98,320	0.23
Foreign Portfolio Investor (Corporate)	4,95,83,127	22.54
Indian Public	4,00,71,316	18.22
IEPF	5,43,654	0.25
Clearing Members	5,57,899	0.25
Total (A) + (B)	**22,00,00,000**	**100.00**

Distribution of Shareholding as on 31st March, 2020

Shareholding Range	No. of Holders	% of total holders	No. of Shares Held	% of total shares
Up to 5000	84588	98.51	22523998	10.24
5001 - 10,000	590	0.69	4400823	2.00
10,001 - 20,000	305	0.35	4357391	1.98
20,001 - 30,000	101	0.12	2472008	1.12
30,001-100,000	151	0.18	7832672	3.56
100,001 and above	130	0.15	178413108	81.10
Total	**85865**	**100.00**	**220000000**	**100.00**

Dematerialisation of shares

Around 99.61% of the Share Capital is held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at 31st March, 2020.

Status of Unpaid Dividend

Dividend for the year	Amount of dividend (₹ in Lacs)	Amount of unpaid dividend as at 31.03.2020 (₹ in Lacs)	Due date of transfer to IEPF
2012-13	4886.28	38.84	7th September, 2020
2016-17(Interim)	8574.58	57.27	18th September, 2023
2017-18 (Interim)	5875.56	43.01	4th September, 2024
2018-19 (Interim)	5710.96	28.52	7th March, 2026
2019-20 (Interim)	5500.00	25.92	12th December, 2026

The Company sends reminders to the shareholders for the unpaid dividend every year.

In terms of Section 125 of the Act, read with rules made thereunder, the Company is required to transfer the unpaid dividend amounts which remained unclaimed for 7 years from the date of transfer of such amounts to Unpaid Dividend A/C to Investor Education and Protection Fund. During the financial year ended 31st March, 2020 no Unpaid Dividend was due for transfer into the Investor Education and Protection Fund.

Equity Shares in Demat Suspense Account

In terms of Regulation 34 read with Schedule V to the Listing Regulations, the Company reports the following details in respect of equity shares lying in the Demat Suspense Account of the Company:

Particulars	Number of Shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares lying in the Demat Suspense Account at the beginning of the year	553	54587
Aggregate number of shareholders and the outstanding shares transferred to Suspense Account during the year	-	-
Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the year	3	3510
Number of shareholders to whom shares were transferred from the Suspense Account during the year	3	3510
Aggregate number of shareholders and the outstanding shares lying in the Suspense Account at the end of the year	550	51077

The voting rights on the shares outstanding in the Suspense Account as at 31st March, 2020 shall remain frozen till the rightful owners of such shares claim their shares.

Plant Locations

Unit 1: Balrampur (Sugar, Co-generation, Distillery and Agro divisions), Dist. Balrampur, Uttar Pradesh.

Unit 2: Babhnan (Sugar, Co-generation and Distillery divisions), Dist. Gonda, Uttar Pradesh.

Unit 3: Tulsipur (Sugar division), Dist. Balrampur, Uttar Pradesh.

Unit 4: Haidergarh (Sugar and Co-generation divisions), Dist. Barabanki, Uttar Pradesh.

Unit 5: Akbarpur (Sugar and Co-generation divisions), Dist. Ambedkarnagar, Uttar Pradesh.

Unit 6: Mankapur (Sugar, Co-generation, Distillery and Agro divisions) Dist. Gonda, Uttar Pradesh.

Unit 7: Rauzagaon (Sugar and Co-generation divisions) Dist. Faizabad, Uttar Pradesh.

Unit 8: Kumbhi (Sugar and Co-generation divisions), Dist. Lakhimpur-Kheri, Uttar Pradesh.

Unit 9: Gularia (Sugar, Co-generation and Distillery divisions), Dist. Lakhimpur–Kheri, Uttar Pradesh.

Unit 10: Maizapur (Sugar division), Dist. Gonda, Uttar Pradesh.

Investors' Correspondence

Shri Kamal Sewoda
Deputy Manager - Secretarial
Balrampur Chini Mills Limited
FMC Fortuna, 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata – 700 020
Phone: (033) 2287 4749

The Company has designated investorgrievances@bcml.in (email id) exclusively for the purpose of registering complaints by investors.

Other Disclosures

i) The Company does not have any materially significant related party transaction, which may have potential conflict with the interests of the Company at large. The transactions with related parties, in normal course of business, have been disclosed separately in the Notes to the Financial Statements. The Company has disclosed the policy on dealing with the related party transactions on its website at the following web-link:

http://chini.com/wp-content/uploads/2018/03/Policy_on_materiality_of_Related_Party_Transactions.pdf

ii) There were no instances of non-compliances related to capital markets during the year under review and no penalties/ strictures were imposed against the Company during the last three years.

iii) Whistle Blower Policy framed by the Company to deal with unethical behavior, victimisation, fraud and other grievances or concerns, if any, is available on the Company's website at the following web-link: http://chini.com/vigil_mechanism_policy/Vigil_Mechanism_Policy.pdf

During the year 2019-20, no personnel has been denied access to the Audit Committee.

iv) All mandatory requirements relating to corporate governance under the Listing Regulations have been appropriately complied with and the status of non-mandatory (discretionary) requirements is given below:

1. The Company doesn't bear any expenses of the Non-Executive Chairman's Office.
2. The Company's financial statements for the year ended 31st March, 2020 do not contain any modified audit opinion.
3. The Internal Auditors of the Company report directly to the Audit Committee.

v) The Company doesn't have any subsidiary company and therefore corresponding disclosures including framing of policy on material subsidiary has not been made.

vi) In terms of the Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Details of significant changes in key financial ratios, along with detailed explanations thereof (including details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof) have been adequately covered under the Management Discussion and Analysis Report.

vii) The CEO & CFO Certification for the year 2019-20 forms part of the Annual Report.

viii) The financial statements have been prepared under Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under historical cost convention on an accrual basis, except certain financial instruments and biological assets which are measured in terms of relevant Ind AS at fair value/cost, and other relevant provisions of the Act.

All "Ind AS" issued and notified till the financial statements are approved for issue by the Board of Directors have been considered in preparing these financial statements.

ix) The Company has laid down Risk Assessment and Minimisation procedures and the same are periodically reviewed by the Board. The Company has a defined Risk Management Policy approved by the Board of Directors of the Company. The said policy was reviewed and revised by the Board of Directors at its meeting held on 8th February, 2018 and the same was made applicable w.e.f. 1st April, 2018. The Risk Management Policy is available on the website of the Company at the following web-link:

http://chini.com/wp-content/uploads/2019/05/Risk-Management-Policy_BCML_Revised_Applicable_April-2018.pdf

Further, the Company has adequate internal control systems to identify risks at appropriate time and to ensure that the executive management controls the risk through properly defined framework.

Company's products are in the nature of commodity and hence commodity price risk is the prime risk for the Company.

Information required under clause 9(n) of Part C of Schedule V to the Listing Regulations and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are given hereunder:

Sugar, Ethanol and Power together constitute for more than 99% of the Company's revenues.

The major segment in which the Company operates in, which accounts for around 80% of the Company's revenues, is Sugar and as such Company is exposed to commodity price risk. Normally Company does not physically export sugar unless it is mandated by the Government and duly supported by export subsidy. In that case Company has a policy in place to hedge the export underlying exposure. For domestic sales, under the current regime, sales quotas are announced by the Government on monthly basis. Further there are not many active platforms in India which allow hedging of domestic sugar sales. In addition to above, the Government of India had announced Minimum Sale Price (MSP) for sale of sugar in the open market by every sugar mill. Such MSP, currently at ₹31/- per kg acts as a minimum floor price for the sale of sugar by the sugar mills in India. The Ethanol price is fixed by the Central Government every year depending on the cost of production of ethanol, cost of production of sugar, the prices at which the sugar is being sold in the market and the overall position of the sugar industry in terms of its ability to pay the cane price as announced by the Govt. Further ethanol prices are not linked with the crude prices. Thus, there is no price risk in case of ethanol and accordingly it does not require any hedging.

Similarly for supply of power to the State Electricity Grid, which are governed under long term Power Purchase Agreement(s) with the State Electricity Board, the prices are fixed for a term of five years. Further, there is lot of restrictions on the Company to come out of PPA and explore sale of power to other distribution companies or on the exchange. Accordingly, the details

required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are not applicable to the Company.

Further disclosures relating to risks and activities including commodity price risk, foreign exchange risk, etc., have been adequately covered under the Management Discussion and Analysis Report forming part of the Annual Report.

x) During the year under review, no complaint / case was filed or was pending for redressal pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

xi) A certificate has been obtained from MKB & Associates, Practicing Company Secretaries confirming that none of the Directors of the Company have been debarred or disqualified by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as directors of the Company and the same forms part of the Annual Report.

xii) All recommendations made by the Committees of the Board during the year were accepted by the Board. During the year 2019-20, there was no such instance wherein the Board had not accepted any recommendation of any committee of the Board.

xiii) Details of total fees for all services paid by the Company on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part, given below:

Particulars	**₹ in Lacs**
For Statutory Audit	45.00
For Taxation Matters	Nil
For Limited Review & other Audits	13.50
For Certification Work	7.50
Reimbursement of Expenses	Nil
	66.00

xiv) The Company has duly complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

xv) Other items which are not applicable to the Company have not been separately commented upon.

For and on behalf of the Board of Directors

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

Sd/-
Vivek Saraogi
Managing Director
DIN – 00221419
Place: Kolkata

Date: 23rd June, 2020

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

Balrampur Chini Mills Limited ("the Company") has adopted the Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the website of the Company.

It is hereby confirmed that the Company has obtained affirmation from all the Board Members and Senior Management Personnel that they have complied with the said Code for the financial year 2019-20.

Sd/-
Vivek Saraogi
Managing Director
Balrampur Chini Mills Limited

Place: Kolkata
Date: 23rd June, 2020

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Balrampur Chini Mills Limited ("the Company") to the best of our knowledge and belief, hereby certify that:

A. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

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

D. We have indicated to the Auditors and the Audit Committee

   1. there has been no significant change in internal control over financial reporting during the year;

   2. there has been no significant change in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Place: Kolkata
Date: 23rd June, 2020

Sd/-
Vivek Saraogi
Managing Director

Sd/-
Pramod Patwari
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE OF BALRAMPUR CHINI MILLS LIMITED

To
The Members,
BALRAMPUR CHINI MILLS LIMITED

We have examined the compliance of conditions of Corporate Governance by BALRAMPUR CHINI MILLS LIMITED ("the Company") for the year ended on 31st March, 2020, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clauses and/or Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

For **MKB & Associates**
Company Secretaries

Sd/-
Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700
UDIN: A011470B000368871

Date: 23rd June, 2020
Place: Kolkata

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[In terms of Para C(10)(i) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)]

To
The Members,
BALRAMPUR CHINI MILLS LIMITED

Based on our verification of the disclosures/declarations received from the directors and other records maintained by Balrampur Chini Mills Limited, CIN: L15421WB1975PLC030118, having its Registered office at 234/3A, A. J. C. Bose Road, FMC Fortuna, 2nd Floor, Kolkata - 700 020, West Bengal ("the Company") and also the information provided by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and based on the verification of the data available on MCA's portal (www.mca.gov.in) including Directors Identification Number (DIN) status at the portal, we hereby certify that:

During the Financial Year ended on March 31, 2020, in our opinion, none of the directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

For **MKB & Associates**
Company Secretaries

Sd/-
Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700
UDIN: A011470B000369355

Date: 23rd June, 2020
Place: Kolkata

ANNEXURE VIII

BUSINESS RESPONSIBILITY REPORT

About Balrampur Chini Mills Limited:

Balrampur Chini Mills Limited ("the Company") is one of the largest integrated sugar manufacturing companies in India. The Company has 10 factories in Uttar Pradesh possessing a cane crushing capacity of 76,500 tonnes per day in aggregate while its distilleries possess an aggregate capacity of 520 kiloliters per day and cogeneration capacity of 278.47 megawatts (saleable 165.20 megawatts).

About this report:

Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations"), prescribe that the Top 1000 companies based on market capitalization as on March 31st of every financial year, shall have "Business Responsibility Report" as part of their Annual Report. Since the Company is one of the Top 1000 companies based on market capitalization, following is the Business Responsibility Report ("the BR Report") of the Company for the financial year 2019-20.

The Business Responsibility Policy of the Company is based on the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVGs) issued by the Ministry of Corporate Affairs, Government of India. The BR Report has been prepared in accordance with Regulation 34 of the Listing Regulations and provides the requisite information as prescribed by SEBI.

SECTION A: General information about the Company:

1.	Corporate Identity Number (CIN) of the Company:	L15421WB1975PLC030118	
2.	Name of the Company:	Balrampur Chini Mills Limited	
3.	Registered Address:	234/3A, A J C Bose Road, FMC Fortuna, 2nd Floor, Kolkata - 700020	
4.	Website:	www.chini.com	
5.	Email ID:	bcml@bcml.in	
6.	Financial Year Reported:	2019-20	
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Manufacturing of Sugar	10721
		Production of Industrial Alcohol	1101
		Generation of Power	35106
8.	List three key products/services that the Company manufactures/provides (as in balance sheet):	1. Sugar 2. Industrial Alcohol 3. Power (Co-generation)	
9.	Total number of locations where business activity is undertaken by the Company:	1. Number of International Locations (Provide details of major 5) – Nil 2. Number of National Locations: The Company carries out its operations through its Registered Office in Kolkata (West Bengal), offices in New Delhi and Lucknow and 10 Manufacturing Facilities located across Eastern and Central Uttar Pradesh at Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur, Rauzagaon, Kumbhi, Gularia and Maizapur.	
10.	Markets served by the Company – Local/State/ National/International	Local	✓
		State	✓
		National	✓
		International	✓

SECTION B: Financial details of the Company:

1.	Paid up Capital (INR)	2200 Lacs
2.	Total Turnover (INR)	474129.40 Lacs (including other operating revenue)
3.	Total profit after taxes (INR)	50928.18 Lacs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1092.89 Lacs, i.e., > 2% of average net profit of last three financial years
5.	List of activities in which expenditure in 4 above has been incurred:	Please refer to Annexure V to the Board's Report forming part of this Annual Report.

SECTION C: Other Details:

1. Does the Company have any Subsidiary Company/ Companies?

   No, the Company does not have any subsidiary as on 31st March, 2020.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   Not Applicable.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

   No.

SECTION D: BR Information:

1. Details of Director/Directors responsible for BR

a. Details of the Director/Directors responsible for implementation of the BR policy/policies

   1. DIN Number: 00846939
   2. Name: Dr. Arvind Krishna Saxena
   3. Designation: Whole-time Director

b. Details of the BR head

Sl. No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Shri N. K. Agarwal Shri Praveen Gupta
3.	Designation	Both are Executive President
4.	Telephone number	097214 50393 09651769295
5.	e-mail id	nk.agarwal@bcml.in pravin.gupta@bcml.in

2. Principle-wise (as per NVGs) BR Policy/policies:

(a) Details of compliance:

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, the Policy is based on the "National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business" released by the Ministry of Corporate Affairs, Government of India. Apart from this, the policies are based on the generally accepted practices for the respective principles.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, the Board of Directors of the Company has approved the Policy at their meeting held on 15th November, 2016 and the same was revised in the meetings of the Executive Committee of the Board and Board Meeting held on 29th November, 2018 and 10th February, 2020 respectively. The Policy has been signed by the Company Secretary, pursuant to the authorization by the Board.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://chini.com/wp-content/uploads/2020/04/BRR_Policy_01_04_2020.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policy has been posted on the Company's website for information of all stakeholders in addition to internal stakeholders, other appropriate communication means like Notice Boards, etc., are used.								
8.	Does the Company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The implementation of the Business Responsibility Policy was evaluated by the Internal Auditors of the Company, being an independent audit firm, who reports issues, if any, to the Board of Directors of the Company.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	Not applicable								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Annually. During the year under review the Board of Directors has reviewed the BR performance of the Company at their meeting held on 10th February, 2020.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has published its Business Responsibility Report (on an annual basis) from the financial year 2016-17 and onwards and the same forms part of the relevant Annual Reports. The same can be accessed on the website of the company www.chini.com.

SECTION E: Principle-wise performance:

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company's policies on Ethics, Transparency and Accountability along with the Company's Code of Conduct and Business Ethics ("the Code") are applicable to all directors and employees of the Company. The directors and employees of the Company are expected to read and understand the Code, uphold the standards mentioned thereunder in their day-to-day activities and comply with all applicable laws, rules and regulations. The Company also has in place a Whistle Blower Policy.

There is no group structure or joint venture of the Company (except two Associate Companies). The Company does not have any subsidiary. The Company is also encouraging parties associated with it like vendors, suppliers, contractors, etc., to follow the principles envisaged in the Policy.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	Complaints Received during FY 2019-20	Complaints Resolved during FY 2019-20	Complaints Resolved (%)
Investors' Complaints	229	229	100%
Customers' Complaints	27	27	100%
Total	**256**	**256**	**100%**

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is engaged in manufacturing of sugar, industrial alcohol and co-generation of power. All the products of the Company take care of the social / environment concerns and risks. The Company has bagasse-based power generation facilities, which is a great alternative to fossil fuels and reduces greenhouse gas emission to safeguard the environment. The Company has also invested in optimization of power and steam consumption which saves additional bagasse and provides additional raw material for enhanced running of capacities already installed. Earlier the effluents from sugar mills was considered a nuisance, however, with improved effluent treatment systems now available, the treated effluent has become a boom for farmers for land irrigation. The treated water is recycled through RO Plants to substitute fresh water requirements.

The Industrial Alcohol producing units are running on Zero Liquid Discharge (ZLD) technology and therefore, does not have any negative impact on the environment.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   The Company has progressively invested in optimum use of resources. The core cane crushing operation generates molasses (as by-product) and bagasse (as waste); molasses is utilized to manufacture ethanol (a green fuel) while bagasse is being utilized to generate green power.

   Sugar is traditionally a water surplus industry as Cane has inherent water content of 68 – 72 % (680 – 720 litres per MT of cane). Out of the total generation quantity approximately 42 – 46% (Say 310 litres per MT of cane) evaporates through cooling towers, approximately 5 – 7% (say 50 litres per MT of cane) are flash losses inside the factory, approximately 18 - 22% (say 140 litres per MT of cane) is carried forward along with by-products, while the remaining 28 - 32% (say 200 litres per ton cane crush) is sent to ETP for treatment and then is allowed to be discharged to surface drainage system.

   All our sugar units are now equipped with the latest effluent treatment plants (ETP) coupled with buffer storage reservoirs to avoid shock dosing of the ETP and with ponds for irrigation to comply with pollution control norms. We are one of the few companies having Sulphate removal system successfully installed and running at our units.

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   The data regarding reduction during usage by consumers is not available with the Company but the Company regularly makes investments to reduce steam and power consumption.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Yes, the Company deploys sustainable procurement practice. All the plants of the Company are situated close to cane growing area. Entire raw material is procured sustainably. Since the inputs are procured from sources close to the units, it also helps in minimizing transportation costs. Cane is also supplied by small and medium farmers through bullock driven carts. This significantly reduces the environmental impact of transportation of raw materials.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The Company sources almost 100% of its raw materials (that is, sugarcane) from areas near to the units. It procures cane from the farmers (including small and medium farmers) based on the areas allotted to the respective units by the Cane Commissioner. The Company works closely with cane growers of the allotted areas to improve their productivity. In order to achieve this, the Company shares knowledge and expertise in sustainable agriculture practices with the farmers for cane cultivation. Besides this, the farmers are also guided on selection and use of right type of agri-inputs. These developmental activities help in improvement of quality and yield of cane thereby benefitting the Company as well as the farmers. The Company has been highly effective in encouraging farmers to grow the best variety of cane.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   The core cane crushing operation generates molasses as a by-product which is utilized to manufacture ethanol. Waste generated from sugar crushing operation (bagasse) & distillery operation (spent wash) are used as fuel for generating clean energy. Further, Boiler Ash generated from Incineration Plants is rich in Potash and thereby serves as a vital soil nutrient. We have installed potash granulation plant for converting the rich potash resource into a form which can be used as agri-inputs.

   Thus the by-products and waste generated out of manufacturing processes are mostly recycled.

Principle 3

As on 31st March, 2020

1.	Please indicate the Total number of employees.	6022 (Includes Permanent and Seasonal Permanent employees but does not include Badli Workers, Retainers, Advisors, Trainees / Apprentices, etc.,)
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	Sugar Industry being a seasonal industry, the Company has different number of employees hired on seasonal basis during the season and off-season. In view of this, the number of employees hired on seasonal / temporary / contractual / casual basis as on 31st March, 2020 would not be meaningful and hence not provided.
3.	Please indicate the Number of permanent women employees.	4
4.	Please indicate the Number of permanent employees with disabilities.	2
5.	Do you have an employee association that is recognized by management.	Yes
6.	What percentage of your permanent employees is members of this recognized employee association?	The Company has 10 Sugar Mills located across Eastern and Central Uttar Pradesh. The factory-wise percentage varies from Nil to around 66%.
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
a.	Permanent Employees	69%
b.	Permanent Women Employees	25%
c.	Casual/Temporary/Contractual Employees	37%
d.	Employees with Disabilities	50%

Principle 4

1. Has the Company mapped its internal and external stakeholders? Yes/No

   Yes

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

   The Company identifies marginal growers with very small land holdings around its units as disadvantaged, vulnerable & marginalized stakeholders. The Company continuously engages with majority of them for identifying their needs & priorities and provides need based resolution to their problems.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   Developmental activities are carried out by the Company by providing necessary guidance to the small and marginalized cane growers towards selection of right variety of seed and agri-inputs, etc.

Principle 5

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   The Company's policy on respecting and promoting human rights is applicable to all directors and employees of the Company. There is no group structure or joint venture of the Company (except two Associate Companies). The Company doesn't have any subsidiary. The Company is gradually encouraging vendors, suppliers, contractors, etc., associated with it, to follow the principles envisaged in the Policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   No complaint was received pertaining to human rights violation during the past financial year.

Principle 6

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ others.

   The Company's policies on Respecting, Promoting and Restoring the Environment and in relation to Environment, Health & Safety (EHS) are applicable to all directors and employees of the Company. There is no group structure or joint venture of the Company (except two Associate Companies). The Company doesn't have any subsidiary. The Company is gradually encouraging vendors, suppliers, contractors, etc. associated with it to follow the principles envisaged in the Policy. The EHS Policy also covers the contractors engaged by the Company.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

   Global environment issues such as climate change, global warming, GHG emissions pose challenges to all. The Company is totally committed to reduce their impact. At the captive power plants, Bagasse (waste generated) is used as fuel for generating power. At the Distillery, Spent Wash (effluent generated) is mixed with Bagasse and used as fuel in boilers to generate clean energy with minimal carbon footprint by incineration process.

   There is no usage of non-renewal resources except in case of power outages/emergency. The Company has installed ESP and wet scrubbers at the boilers to arrest / control air pollution.

3. Does the Company identify and assess potential environmental risks? Y/N

   Yes.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes, the Company has undertaken several initiatives on clean technology, energy efficiency, renewable energy, etc. The Company has achieved spectacular results in utilization of hazardous and pollutant industrial waste namely Spent Wash. This waste is used as a fuel at the incineration boilers of the Company for generating clean energy. The same can be accessed on the website of the Company www.chini.com.

   Further details relating to conservation of energy can be found in Annexure III forming part of the Board's Report.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   All the emissions / waste generated by the Company during the financial year 2019-20 are generally within the permissible limits given by CPCB / SPCB.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   No show cause/ legal notices from CPCB/SPCB are pending as on 31st March, 2020.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   The Company is member of various trade, industry and chamber associations like CII, FICCI, Indian Chamber of Commerce, Indian Sugar Mills Association, UP Sugar Mills Association, UP Sugar Mills Co Gen Association, etc.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company prefers to be part of the broader policy development process taking into account the Company's as well as larger national and stakeholders' interest. However, it does not practice lobbying on any specific issue.

Principle 8

1. Does the Company have specified programmes / initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   The CSR initiatives of the Company ensures its commitment to operate in an economically, socially and environmentally sustainable manner in the best interest of all the stakeholders. CSR activities are carried on by the Company through:

   (i) Balrampur Institute of Vocational Aid,

   (ii) Balrampur Foundation,

   (iii) Other societies, trusts, hospitals, funds or organisations engaged in CSR activities, as may be approved by the CSR Committee of the Board.

   The details of programmes/ initiatives/ projects in pursuit of the CSR policy are provided in the CSR Report forming part of the Board's Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

   The programmes/projects are undertaken through Balrampur Foundation as well as through other external NGOs / organizations subject to approval of CSR Committee.

3. Have you done any impact assessment of your initiative?

   The Company assesses the impact of its CSR Projects and Programmes at Board and CSR Committee meetings. Updates on the utilization, certifications and details received from the implementing agencies are placed at the CSR Committee meetings for its review and assessment. The Company has further got the impact analysis done through external agency, the results of which are very encouraging.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   The Company has spent an amount of ₹1092.89 Lacs in various CSR activities during the year 2019-20. The details of the amount incurred and areas covered are given in Annexure - V (Annual Report on Corporate Social Responsibility Activities) forming part of the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Apart from various CSR projects and programs eligible as CSR spend under the prescribed law, various community development initiatives are also undertaken by the Company after identifying the needs of the communities requiring development. The Company also interacts with the stakeholders to ensure that its projects are being implemented effectively. Apart from this, the Company also procures details of utilization / certificates of utilization from the implementing agencies to which the Company has contributed for community development.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   The Company has successfully resolved 100% of the complaints received during the financial year ended 31st March, 2020 and no complaint relating to the current year or an earlier year is pending.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)

   The applicable product information, wherever it is sold in packed condition, is displayed on the bags. Besides, the Company complies with the applicable regulations as provided in Legal Metrology Act, Bureau of Indian Standards Specifications, Food Safety and Standards Act and the relevant rules prescribed therein.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   The Company never indulges in any unfair trade practices, irresponsible advertising and/or anti-competitive behavior, however, based on a complaint, CCI has ordered investigation against the Oil Marketing Companies (OMCs), ISMA and various Sugar Mills (including the Company) for anti-competitive behavior in the tender floated by OMCs in 2012-13 for procurement of Ethanol under the Ethanol Blending with Petrol programme of the Government of India. The said allegation has been contested by the Company. In this regard, CCI has passed an Order dated 18th September, 2018 (CCI Order), inter alia, imposing a penalty of ₹4.28 Crores on the Company. The CCI Order has been challenged by the Company before the Hon'ble NCLAT and the said Tribunal has stayed the CCI Order so far as it relates to the penalty amount subject to deposit of 10% of the penalty amount, which has been complied by the Company. The outcome the said appeal before the Hon'ble NCLAT is pending at the end of the financial year under report.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   There is no formal customer survey carried out by the Company. However, the Company ensures customer satisfaction by obtaining informal feedback from the wholesellers / agents from the market. Further, the website of the Company has a specific section where customers can post their queries, grievances and feedback for the products of the Company.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Dr. Arvind Krishna Saxena	**Vivek Saraogi**
	Whole-time Director	*Managing Director*
	DIN – 00846939	DIN – 00221419
Date: 23rd June, 2020	Place: Balrampur	Place: Kolkata

ANNEXURE IX

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
BALRAMPUR CHINI MILLS LIMITED
FMC Fortuna, 2nd Floor,
234/3A, A J C Bose Road,
Kolkata – 700020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BALRAMPUR CHINI MILLS LIMITED (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (as amended) (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   e) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (the SEBI Buyback Regulations)

   i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:

   a) The Sugar Cess Act, 1982 and Rules made there under;

   b) The Sugar Development Fund Act, 1982 and rules made there under;

c) The Sugar (Control) Order, 1966;

d) The Levy Sugar Price Equalisation Fund Act, 1976; [as intimated by the Company not applicable during the year under audit];

e) The Food Safety And Standards Act, 2006 and Rules and Regulations made there under;

f) The Agricultural and Processed Food Products Export Act, 1986; [as intimated by the Company not applicable during the year under audit];

g) The Export (Quality Control and Inspection) Act, 1963; [as intimated by the Company not applicable during the year under audit];

h) The Essential Commodities Act,1955;

i) The Legal Metrology Act, 2009

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Listing Regulations.

b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the audit period the Company has bought back 84,38,327 equity shares at a price of ₹175/- per Equity share in compliance with the provisions of the Act, the SEBI Buyback Regulations and the Listing Regulations.

We further report that during the audit period the shareholders of the Company have passed a special resolution with respect to payment of commission to the Non-Executive Directors of the Company upto 1% per annum of the net profits of the Company or ₹1,25,00,000/- in aggregate, plus applicable taxes, whichever is lower, in any financial year, w.e.f. the financial year commencing from 1st April, 2019.

We further report that during the audit period the Company had applied for voluntary delisting of its equity shares from The Calcutta Stock Exchange Limited (CSE) under Regulation 6(a) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended, in November, 2019. The said application, for voluntary delisting has been approved by CSE vide its letter dated 20th December, 2019, w.e.f. 23rd December, 2019.

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

For **MKB & Associates**
Company Secretaries

Sd/-
Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700
UDIN: A011470B000368849

Date: 23rd June, 2020
Place: Kolkata

Annexure - I

To
The Members,
BALRAMPUR CHINI MILLS LIMITED
FMC Fortuna, 2nd Floor,
234/3A, A J C Bose Road,
Kolkata – 700020

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Note: There was lockdown declared by the Central Government in the country due to COVID-19 pandemic since 24th March 2020. During the Lockdown, for carrying on and completion of the Audit, documents/details have been provided by the Company through electronic mode only and the same have been verified by us.

For **MKB & Associates**
Company Secretaries

Sd/-
Manoj Kumar Banthia
(Partner)
ACS no. 11470
COP no. 7596
FRN: P2010WB042700
UDIN: A011470B000368849

Date: 23rd June, 2020
Place: Kolkata

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Independent Auditors' Report

To the Members of
Balrampur Chini Mills Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Balrampur Chini Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31st March,2020, and the statement of Profit and Loss(including other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 (" the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the 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 thereunder, 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 opinion.

Key Audit Matters

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

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
1.	**Valuation and determination of Inventory** As on 31st March, 2020, the Company has inventory of sugar with the carrying value of ₹ 198648.63 Lacs which forms major part of the total assets of the Company. The inventory of sugar is valued at the lower of cost and net realizable value. The Physical Verification of inventory could not be observed by us due to lock down restrictions at the year end. Determination of net realizable value involves judgements and assumptions with respect to regulatory directives and notifications dealing with quantity and price of sugar to be sold and also the stock to be maintained by the Company.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the inventory include the following** • Understanding and testing the design and operating effectiveness of controls as established by the management for valuation of inventory of sugar. • Obtaining an understanding of the determination of the net realizable value and assessing, testing and evaluating the reasonableness keeping in view the significant judgements applied by the management for such valuation. • The above includes evaluation of the selling price prevailing around and subsequent to the year end and regulatory directives issued and compliances thereof by the management and rationale for assumptions in the given situation and business environment. • The company has procedure of physical verification of inventories at regular interval. Physical verification of finished goods, by-products across all units were carried out during the period from 10th June, 2020 to 16th June, 2020 in presence of independent firms of Chartered Accountants who have been entrusted with the responsibilities of observing and participation in such verification. We observed such verification through video call and obtained video recording and display materials available in this respect. • We have reviewed the credentials, technical and other expertise of the professional firms deployed for carrying out and observing the verification;

		• We reviewed the report submitted by chartered accountant firms and obtained reasons/explanation for variations observed by them with respect to the book stock; • We have applied alternative methods of verification for arriving at Inventories as at the year-end by applying roll back procedure and carrying out relevant adjustments for receipts and issues. Materiality for variations, discrepancies were duly analyzed and identified with respect to subsequent movements and discrepancies and adjustments observed pursuant to last such verification carried out by the management. • We have verified the adjustments made for receipt and consumption to arrive at the physical stock as on 31st March, 2020. • While necessary review and other corroborative evidences were obtained and verified, reliance has been placed on professional expert's report and conclusions drawn by them on the matter.
2.	**Recognition of Deferred tax assets and liabilities** Deferred tax assets pertaining to MAT Credit entitlement amounting to ₹ 19187.71 Lacs recognised in earlier year has been continued in this year. Further, the Company has decided to opt for concessional rate of tax as provided under section 115BAA of Income Tax Act 1961 in year when MAT credit entitlement is substantially exhausted and eligibility for certain tax deductions as available to the Company is expired. Thereby deferred tax liability has been re-measured and resultant differential of ₹ 7522.77 Lacs has been written back in this year. Recognition of deferred tax assets and liabilities is based on expected utilization and or reversal thereof considering the management's projection of future taxable income of the company. This involves estimation of future operations and profitability based on assumptions and anticipations which may be in variance with the actual happening.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the recognition of deferred tax asset include the following** • We critically examined the temporary differences between the carrying amounts for Ind AS financial statement and tax purposes; • Evaluation of the temporary differences and utilization and reversal of deferred tax assets and liabilities on the basis of internal forecasts by the management and resultant impact on future taxable income of the Company. • The above includes critical review of underlying assumptions for consistency and arriving at reasonable level of probability of achieving them with due regard to the current prevailing situation, past results and performances, as required in terms of Ind AS 12 Income Taxes and principles in this regard.
3.	**Government grants and assistances** During the year, the Company has recognized financial assistance including those granted against exports aggregating to ₹ 35826.79 Lacs out of which ₹29597.40 Lacs is outstanding as receivable as at 31st March, 2020. The various schemes have been notified by central and state government to assist sugar mills so that to protect the interest of the farmers in terms of the price and the release of payment against the sugarcane supplied by them. This has been considered to be a matter of significance considering the nature and type of industry in which the company is operating and related compliance requirements of the schemes and appropriateness of timing of recognition of such grants.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of recognition of various government grants include the following** • Understanding and testing the design and operating effectiveness of controls as established by the management for recognition and assessment of recoverability of the claims for government grants. • Evaluating the management's assessment for reasonable certainty of the claim and recognition thereof on matching principle of accounting taking into account the related compliances and conditions for meeting the eligibility criteria as embodied in the various schemes issued by the regulators. • Review of each notification for ascertaining the performance obligations concerning grant and arriving at timing of recognition and appropriateness for measurement thereof.

Information Other than the Financial Statements and Auditors' Report thereon

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

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

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

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information , we are required to report that fact.

We have nothing to report with respect to the above.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt

on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:

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

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

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

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal control with reference to the financial statements of the Company.

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 36(1) to the financial statements;

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

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the remuneration (including sitting fees) paid by the Company to its Directors during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For **Lodha & Co,**
Chartered Accountants
Firm's ICAI Registration No.:301051E

sd/-
R. P. Singh
Partner
Membership No: 052438
UDIN:20052438AAAABA9486

Place of signature: Kolkata
Date: 23rd June, 2020

ANNEXURE "A" TO THE AUDITORS' REPORT OF EVEN DATE:

i) a. The Company has maintained proper records showing full particulars, including quantitative details and situations of its fixed assets.

b. During the year, fixed assets have been physically verified by the management according to a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verifications.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note no 4 on Property, plant and equipment to financial statements, are held in the name of the Company.

d. The title deeds of immovable properties pertaining to eight sugar units as given in Note No. 18(ii) have been kept under the custody of Security trustee appointed pursuant to the charge created against such properties.

ii) As informed, the inventories of the Company, have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such physical verification. The year-end verification could not be carried out due to lock-down amidst COVID-19 pandemic. The Inventories as on that date have been arrived at by rolling back the receipts and issues with respect to verification carried out on a subsequent date in presence and supervision of Independent firms of chartered accountants, entrusted with such responsibility. The discrepancies noted during the year have been properly dealt with in the books of the account.

iii) The Company has not granted any loans secured or unsecured to companies, firms or parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v) The Company has not accepted any deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.

vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii) a. According to the information and explanations given to us, during the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection fund, Employees' State Insurance, Income Tax, Custom Duty, Cess, Goods and Services Tax (GST) and other statutory dues as applicable to it.

b. According to the information and explanations given to us, the details of disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise and value added tax, if any, as at 31st March, 2020, are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Central Sales Tax	1.08	2009-10	Dy. Commissioner, (Appeal) - Balrampur

viii) In our opinion and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or government. The Company has not issued any debentures.

ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.

x) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across incidence of any material fraud on or by the Company nor have we been informed of any such cases by the management.

xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv) According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Lodha & Co**
Chartered Accountants
Firm's ICAI Registration No.:301051E

sd/-
R. P. Singh
Partner
Membership No: 052438
UDIN:20052438AAAABA9486

Place of signature: Kolkata
Date: 23rd June, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Balrampur Chini Mills Limited** ("the Company") as at 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Lodha & Co**
Chartered Accountants
Firm's ICAI Registration No.:301051E
sd/-
R. P. Singh
Partner
Membership No: 052438
UDIN:20052438AAAABA9486

Place of signature: Kolkata

Date: 23rd June 2020

Balance Sheet as at 31st March, 2020

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2020		As at 31st March, 2019	
ASSETS					
Non - current assets					
(a) Property, plant and equipment	4	162315.67		142001.99	
(b) Capital work-in-progress	4A	1239.64		4582.51	
(c) Intangible assets	5	88.93		153.76	
(d) Financial assets					
(i) Investments	6(i)	17978.63		12005.73	
(ii) Trade and other receivables	7(i)	–		–	
(iii) Other financial assets	8(i)	204.13		145.51	
(e) Non-current tax assets (net)	9	840.27		5253.92	
(f) Other non-current assets	10	483.54	183150.81	3198.32	167341.74
Current assets					
(a) Inventories	11	229497.13		231589.08	
(b) Biological assets	12	12.50		17.49	
(c) Financial assets					
(i) Investments	6(ii)	564.58		–	
(ii) Trade and other receivables	7(ii)	23928.87		45003.36	
(iii) Cash and cash equivalents	13	149.24		211.76	
(iv) Bank balances other than cash and cash equivalents	14	316.34		281.08	
(v) Other financial assets	8(ii)	29785.49		19131.56	
(d) Other current assets	15	7382.39	291636.54	2070.45	298304.78
Total Assets			474787.35		465646.52
EQUITY AND LIABILITIES					
Equity					
(a) Share capital	16	2200.00		2284.38	
(b) Other equity	17	234841.16	237041.16	205985.50	208269.88
Liabilities					
Non - current liabilities					
(a) Financial liabilities					
(i) Borrowings	18(i)	34026.12		27924.52	
(ii) Other financial liabilities	19(i)	–		153.09	
(b) Deferred income	20	1467.81		2450.40	
(c) Provisions	21(i)	672.10		528.45	
(d) Deferred tax liabilities (net)	22	2414.35		7831.51	
(e) Other non-current liabilities	23	–	38580.38	35.93	38923.90
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	18(ii)	105869.20		139466.24	
(ii) Trade and other payables	24				
(a) Trade Payables					
Total outstanding dues of micro enterprises and small enterprises		203.75		95.43	
Total outstanding dues of creditors other than micro enterprises and small enterprises		66790.75		60529.44	
(b) Other Payables					
Total outstanding dues of micro enterprises and small enterprises		8.67		29.08	
Total outstanding dues of creditors other than micro enterprises and small enterprises		792.01		1196.44	
(iii) Other financial liabilities	19(ii)	16583.76		11820.94	
(b) Deferred income	20	982.59		1190.38	
(c) Other current liabilities	25	5911.71		3552.41	
(d) Provisions	21(ii)	2023.37	199165.81	572.38	218452.74
Total Equity and Liabilities			474787.35		465646.52
Corporate information	1				
Significant accounting policies and the accompanying notes 2 to 36 are an integral part of the standalone financial statements.					

As per our report of even date attached.
For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/-	sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 052438			DIN - 00846939	DIN - 00221419
Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

Date: 23rd June, 2020

Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Lacs)

Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
Revenue from operations	26	474129.40	428577.51
Other income	27	3854.67	4274.50
Total income		**477984.07**	**432852.01**
Expenses:			
Cost of materials consumed	28	346415.81	359540.70
Changes in inventories of finished goods, by-products and work-in-progress	29	3733.54	(53836.44)
Employee benefits expense	30	25399.61	23045.79
Finance costs	31	6417.02	4093.51
Depreciation and amortisation expense	32	10141.73	9585.13
Other expenses	33	30383.51	30920.05
Total expenses		**422491.22**	**373348.74**
Profit before tax		**55492.85**	**59503.27**
Tax expense	34		
Current tax		9710.33	12847.57
Deferred tax		(5145.66)	(10408.16)
Total tax expenses		**4564.67**	**2439.41**
Profit for the year		**50928.18**	**57063.86**
Other comprehensive income	35		
Items that will not be reclassified to profit or loss		(1110.37)	(789.91)
Income tax relating to items that will not be reclassified to profit or loss		408.98	276.03
Total other comprehensive income		**(701.39)**	**(513.88)**
Total comprehensive income for the year		**50226.79**	**56549.98**
(Comprising of profit and other comprehensive income for the year)			
Earnings per equity share of ₹ 1/- each	36(7)		
- Basic (₹)		22.98	24.98
- Diluted (₹)		22.98	24.98
Weighted average number of shares used in computing earnings per share			
- Basic		221613887	228437725
- Diluted		221613887	228437725
Corporate information	1		
Significant accounting policies and the accompanying notes 2 to 36 are an integral part of the standalone financial statements.			

As per our report of even date attached.
For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/-	sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 052438			DIN - 00846939	DIN - 00221419
Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

Date: 23rd June, 2020

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2020

(a) Equity share capital

For the year ended 31st March, 2020 (₹ in Lacs)

Balance as at 1st April, 2019	Changes in equity share capital during the year [Refer Note No. 16(c)]	Balance as at 31st March, 2020
2284.38	(84.38)	2200.00

For the year ended 31st March, 2019 (₹ in Lacs)

Balance as at 1st April, 2018	Changes in equity share capital during the year [Refer Note No. 16(c)]	Balance as at 31st March, 2019
2284.28	0.10	2284.38

(b) Other equity (₹ in Lacs)

	Reserves and surplus						Other Comprehensive income		Total other equity
	Capital reserve	Securities premium	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	Gain on equity instruments	
Balance as at 1st April, 2019	**1075.58**	**24587.05**	**2820.10**	**39.85**	**90000.00**	**87462.92**	**–**	**–**	**205985.50**
Changes in equity during the year ended 31st March, 2020									
Profit for the year	–	–	–	–	–	50928.18	–	–	50928.18
Other comprehensive income for the year	–	–	–	–	–	–	(750.91)	49.52	(701.39)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**50928.18**	**(750.91)**	49.52	**50226.79**
Transfer on account of buy-back of equity shares [Refer Note No. 36(5)]	–	(84.38)	84.38	–	–	–	–	–	–
Utilized on account of buy-back of equity shares [Refer Note No. 36(5)]	–	(14682.69)	–	–	–	–	–	–	(14682.69)
Buy back expenses (net of tax ₹56.53 lacs)	–	–	–	–	–	(105.24)	–	–	(105.24)
Storage fund for molasses created during the year [Refer Note No. 17(vi)]	–	–	–	47.34	–	–	–	–	47.34
Transfer (to)/from retained earnings	–	–	–	–	20000.00	(20701.39)	750.91	(49.52)	–
Interim dividend [Refer Note No. 36(21) (b)]	–	–	–	–	–	(5500.00)	–	–	(5500.00)
Dividend distribution tax on interim dividend [Refer Note No. 36(21)(b)]	–	–	–	–	–	(1130.54)	–	–	(1130.54)
Balance as at 31st March, 2020	**1075.58**	**9819.98**	**2904.48**	**87.19**	**110000.00**	**110953.93**	**–**	**–**	**234841.16**

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2020 (contd.)

(b) **Other equity** *(Contd.)*

(₹ in Lacs)

	Share application money pending allotment	Reserves and surplus							Other comprehensive income	Total other equity
		Capital reserve	Securities premium	Capital redemption reserve	Share options outstanding account	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Balance as at 1st April, 2018 as previously reported	**4.50**	**1075.58**	**24578.91**	**2820.10**	**13.23**	**139.94**	**64977.91**	**62820.28**	**–**	**156430.45**
Impact of change in accounting policy relating to accounting of Government Grant	–	–	–	–	–	–	–	(0.39)	–	(0.39)
Restated Balance as at 1st April, 2018	**4.50**	**1075.58**	**24578.91**	**2820.10**	**13.23**	**139.94**	**64977.91**	**62819.89**	**–**	**156430.06**
Changes in equity during the year ended 31st March, 2019										
Profit for the year	–	–	–	–	–	–	–	57063.86	–	57063.86
Other comprehensive income for the year	–	–	–	–	–	–	–	–	(513.88)	(513.88)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**57063.86**	**(513.88)**	**56549.98**
Share application money pending allotment	(4.50)	–	8.14	–	(3.74)	–	–	–	–	(0.10)
Forfeiture of stock options [Refer Note No. 36(3)]	–	–	–	–	(9.49)	–	–	–	–	(9.49)
Storage fund for molasses created during the year [Refer Note No. 17(vi)]	–	–	–	–	–	39.08	–	–	–	39.08
Storage fund for molasses written back during the year [Refer Note No. 17(vi)]	–	–	–	–	–	(139.17)	–	–	–	(139.17)
Transfer (to)/from retained earnings	–	–	–	–	–	–	25022.09	(25535.97)	513.88	–
Interim dividend [Refer Note No. 36(21)(b)]	–	–	–	–	–	–	–	(5710.96)	–	(5710.96)
Dividend distribution tax on interim dividend [Refer Note No. 36(21)(b)]	–	–	–	–	–	–	–	(1173.90)	–	(1173.90)
Balance as at 31st March, 2019	**–**	**1075.58**	**24587.05**	**2820.10**	**–**	**39.85**	**90000.00**	**87462.92**	**–**	**205985.50**

Significant accounting policies and the accompanying notes 2 to 36 are an integral part of the standalone financial statements.

Description of purposes of each reserve have been disclosed in Note no 17.

As per our report of even date attached.
For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/-	sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 052438			DIN - 00846939	DIN - 00221419
Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

Date: 23rd June, 2020

CASH FLOW STATEMENT for the year ended 31st March, 2020

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		**55492.85**		**59503.27**
Adjustments to reconcile profit before tax to net cash flow provided by operating activities :				
Finance costs	6417.02		4093.51	
Depreciation and amortisation expense	10141.73		9585.13	
(Profit)/loss on sale/discard of property, plant and equipment (net)	(476.28)		201.24	
Sundry debit balances/advances written off	196.59		63.74	
Claims receivable written off	262.94		–	
Provision for obsolescence /non–moving store and spares	3.56		97.36	
Transfer to storage fund for molasses	47.34		39.08	
Fair value gain on derivatives	–		(767.91)	
Interest income on financial assets	(300.39)		(200.24)	
Unspent liabilities/balances written back	(713.73)		(805.87)	
Provision for contingencies written back	–		(0.21)	
Provision for doubtful advances written back	(6.00)		–	
Amortized portion of deferred income	–		(14.17)	
Storage fund for molasses written back	–		(139.17)	
Expense on employee stock option scheme	–		(9.49)	
Unrealised exchange rate fluctuation loss	–		98.39	
		15572.78		12241.39
Operating profit before working capital changes		**71065.63**		**71744.66**
Adjustments to reconcile operating profit to cash flow provided by changes in working capital :				
Decrease/(increase) in inventories	2088.39		(51466.37)	
Decrease/(increase) in biological assets	4.99		(5.89)	
Decrease/(increase) in trade and other receivables	21074.49		(27072.58)	
Decrease in loans	–		13.28	
(Increase) in other current /non–current financial assets	(10943.74)		(13966.29)	
(Increase) in other current /non–current assets	(542.22)		(309.32)	
Withdrawal from escrow account for cane price payment/buy–back	28.96		259.86	
Increase/(decrease) in trade and other payables	6548.90		(16585.36)	
Increase in other current /non–current financial liabilities	2240.70		12.79	
Increase /(decrease) in other current /non–current liabilities	2893.76		(1200.28)	
Increase/(decrease) in provision for employee benefits	424.27		(492.91)	
		23818.50		(110813.07)
Cash generated from /(used in) operations		**94884.13**		**(39068.41)**
Tax expense		(9923.14)		(13232.58)
Net cash generated from / (used in) operating activities (A)		**84960.99**		**(52300.99)**
B CASH FLOW FROM INVESTING ACTIVITIES				
Additions to property, plant & equipment and intangibles assets	(25437.91)		(13058.86)	
Government grant for purchase of property, plant & equipment	–		1.83	
Sale of property, plant & equipment	1248.21		485.24	
Purchase of shares of associate	(8250.00)		(3750.00)	
Redemption of debentures	1366.87		–	
Sale of shares of other company	85.00		–	
Proceeds from maturity of national savings certificates	4.84		2.65	
Fixed deposits placed with banks	(114.19)		(80.56)	
Fixed deposits redeemed from banks	43.22		202.89	
Interest received on debentures/fixed deposits and NSC	582.67		276.84	
Net cash used in investing activities (B)		**(30471.29)**		**(15919.97)**

CASH FLOW STATEMENT for the year ended 31st March, 2020 *(contd.)*

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
C CASH FLOW FROM FINANCING ACTIVITIES				
Payment towards buy–back of shares	(14767.07)		–	
Buy back expenses	(161.77)		–	
Proceeds from long–term borrowings	13024.00		36508.11	
Repayment of long–term borrowings	(6009.62)		(11363.73)	
(Repayment) /proceeds of other short–term borrowings (net)	(33597.04)		53874.13	
Interest expense	(6373.06)		(3898.82)	
Other borrowing costs	(37.12)		(47.26)	
Interim dividend paid	(5500.00)		(5710.96)	
Dividend distribution tax paid	(1130.54)		(1173.90)	
Net cash (used in) / generated from financing activities(C)		**(54552.22)**		**68187.57**
Net (decrease) in cash and cash equivalents (A+B+C)		**(62.52)**		**(33.39)**
Opening cash and cash equivalents		211.76		245.15
Closing cash and cash equivalents for the purpose of Cash Flow Statement		**149.24**		**211.76**

Notes :

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS) 7 on Statement of Cash Flows.
2) Interest expense is inclusive of, and additions to property, plant and equipment and intangible assets are exclusive of, interest capitalised ₹20.47 lacs (Previous year: ₹26.82 lacs).
3) Additions to fixed assets include movement of Capital work-in-progress and capital advances during the year.
4) Proceeds/(repayment) of/from Commercial paper and other Short-term borrowings have been disclosed on net basis.
5) Cash and cash equivalents do not include any amount which is not available to the Company for its use.
6) Company has incurred ₹1092.89 lacs in cash on account of Corporate Social Responsibility (CSR) expenditure during the year ended 31st March, 2020 (Previous year: ₹293.44 lacs).
7) **Cash and cash equivalents as at the Balance Sheet date consists of:**

(₹ in Lacs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Balance with banks on current accounts	46.72	179.04
b) Cheques on hand	-	0.53
c) Cash on hand	102.52	32.19
Closing cash and cash equivalents (Refer Note No. 13)	**149.24**	**211.76**

8) **Change in Company's liabilities arising from financing activities:**

(₹ in Lacs)

Particulars	As at 31st March, 2019	Cash flows*	Non-Cash Flows^	As at 31st March, 2020
a) Long term borrowings [Refer Note No. 18 (i)]	27924.52	13024.00	(6922.40)	34026.12
b) Current maturities of long term debt and lease obligations [Refer Note No. 19 (ii)]	6009.62	(6009.62)	8353.16	8353.16
c) Short term borrowings [Refer Note No. 18 (ii)] **	139466.24	(33597.04)	-	105869.20
d) Interest accrued but not due on borrowings [Refer Note No. 19 (i) & (ii)]	655.60	(655.60)	660.97	660.97
Total	**174055.98**	**(27238.26)**	**2091.73**	**148909.45**

* Includes cash flows on account of both principal and interest.

^ Includes amount on account of effect of change in foreign exchange rates and changes in fair values ₹ Nil

** Cash flows represents cash flows during the year on net basis.

CASH FLOW STATEMENT for the year ended 31st March, 2020 *(contd.)*

9) Figure in brackets represent cash outflow from respective activities.

10) As breakup of Cash and cash equivalents is also available in Note No. 13, reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the respective items reported in the Balance Sheet is not required and hence not provided.

The accompanying notes 2 to 36 are an integral part of the standalone financial statements.

As per our report of even date attached

For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/-	sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 052438			DIN - 00846939	DIN - 00221419
Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata
Date: 23rd June, 2020				

Notes forming part of the Standalone Financial Statements

Note No. : 1 Corporate information

Balrampur Chini Mills Limited ("BCML" or "Company") having Corporate Identity Number ("CIN") L15421WB1975PLC030118 is a public limited company incorporated and domiciled in India and has its registered office situated at FMC Fortuna, 2nd Floor, 234/3A, AJC Bose Road, Kolkata – 700020, West Bengal, India.

Company's shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

The Company is one of the major integrated sugar manufacturing companies in India. The principal activity of the Company is manufacturing and sale of sugar. Besides this the allied business activities of the Company primarily consists of manufacturing and sale of Ethanol, Ethyl Alcohol, generation and sale of Power and manufacturing and sale of agricultural fertilizers.

The financial statements for the year ended 31st March, 2020 were approved for issue by the Board of Directors of Company on 23rd June, 2020 and are subject to adoption by the shareholders in the ensuing Annual General Meeting.

Note No. : 2 Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under historical cost convention on an accrual basis, except certain financial instruments and biological assets which are measured in terms of relevant Ind AS at fair value/cost, other relevant provisions of the Act (to the extent notified).

All Ind AS issued and notified till the financial statements are approved for issue by the Board of Directors have been considered in preparing these financial statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

All the assets and liabilities (other than deferred tax assets/liabilities) have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Company has ascertained its operating cycle as 12 months for current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are considered as non-current.

The items included in the financial statements (including notes thereon) are measured using the currency of the primary economic environment in which Company operates ("the functional currency") and are, therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs." or "₹"). All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest Lacs.

2.2 Recent pronouncements

New and revised standards adopted by the Company

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified "Ind AS" - 116 - Leases which replaces the existing lease standard, "Ind AS" - 17 Leases and other interpretations and added Appendix C, Uncertainty over Income Tax Treatments to Ind AS 12 – Income taxes.

(a) Ind AS 116 – Leases

The Company has applied "Ind AS" – 116 - Leases, with effect from 1st April 2019 under modified retrospective approach with cumulative effect of adoption being given effect to on the date of application. Impact in this respect has been given in Note No. 36(13).

(b) Appendix C, Uncertainty over Income Tax treatments to Ind AS 12 – Income taxes have also been revised with effect from the said date. Revision in the standard did not have any material impact on the financial statements.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

2.3 Revenue recognition

Contract with a customer is accounted for only when it has commercial substance and all of the following criteria are met:

(i) Parties to the contract have approved the contract and are committed to performing their respective obligations;

(ii) Each party's rights regarding the goods or services to be transferred and payment terms there against can be identified;

(iii) Consideration in exchange for the goods or service to be transferred is collectible and determinable.

(a) Revenue from operations

Revenue is measured based on the consideration specified in the contract with the customers and excludes amounts collected on behalf of third parties. The revenue from sales is recognized when control over the goods or services have been transferred and/or goods/services are delivered/provided to the customers. Delivery occurs when the goods have been shipped or delivered to the specific location as the case may be and the customer has either accepted the goods under the contract or Company has sufficient evidence that all the criteria for acceptance have been satisfied. For further information, Refer to Note No. 36(11).

Returns, discounts and rebates as determined are deducted from sales.

(b) Other Income

(i) Interest income

For all debt instruments measured at amortized cost, interest income is recognized using the Effective Interest Rate ("EIR"). Interest income is included in "Other Income" in the statement of profit and loss.

(ii) Dividend Income

Dividend income is recognized when Company's right to receive the dividend is established, i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

(iii) Insurance claims

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

2.4 Property, plant and equipment ("PPE") and Capital work-in-progress ("CWIP")

(a) Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses if any.

For this purpose, cost includes deemed cost on the date of transition and the purchase cost of assets, including non-recoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

(b) Costs incurred subsequent to initial capitalization are included in the asset's carrying amount only when it is probable that future economic benefits associated therewith will flow to the Company and it can be measured reliably.

The carrying amount of the replaced part is derecognized. The costs of regular servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for provisions are met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components; otherwise, these are added to and depreciated over the useful life of the main asset.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or when no future economic benefits are expected to arise from the use of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

(c) Property, plant and equipment includes leasehold land classified as Right of use assets.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

(d) Depreciation methods, estimated useful lives and residual value

Depreciation on items of property, plant and equipment commences when the assets are available for their intended use. It is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset specified under Schedule II to the Companies Act, 2013 except in respect of items of "Plant and Equipment" and "Vehicles" whose estimated useful lives are determined based on technical evaluation to reflect the actual usage of the assets. The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

The estimated useful lives considered are as follows:

Category	31st March 2020
Buildings	03 - 60 years
Roads	03 - 10 years
Plant and equipment	05 - 25 years
Furniture and fixtures	10 years
Vehicles	05- 10 years
Office equipments	03 - 05 years
Computers	03 - 06 years
Electrical installation and equipment	05 - 10 years
Pipelines	15 years

Each item of property, plant and equipment individually costing ₹ 5,000/- or less are depreciated over a period of one year from the date the said asset is available for use.

Leasehold land classified as Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The residual values of assets (individually costing more than ₹ 5,000/-) is not more than 5% of the original cost of the asset.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year and are given effect to, wherever appropriate.

(e) Expenditure during the construction period

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

2.5 Intangible assets (Computer Software)

(a) Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset.

Intangible assets purchased are measured at cost as at the date of acquisition, less accumulated amortization and impairment losses if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.

(b) Amortization methods, estimated useful lives and residual value

Computer software is amortized on a straight-line basis (without keeping any residual value) over its estimated useful lives of five years from the date they are available for use.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

The estimated useful lives, residual values and amortization method are reviewed at the end of each financial year and are given effect to, wherever appropriate.

(c) The cost and related accumulated amortization are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

2.6 Inventories

(a) Inventories (other than By-products and Scraps) are valued at lower of cost and net realizable value after providing for obsolescence if any.
Cost of inventory comprises of the purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories. The cost of inventories is computed on a weighted average basis.

Net Realizable Value (NRV) is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

(b) By-products and Scraps are valued at net realizable value.

2.7 Biological assets

Biological assets comprise Standing crops (crops under development) of sugarcane.
The biological process starts with the preparation of land for planting seedlings and ends with the harvesting of crops. When harvested, the cane is transferred to inventory at fair value less costs to sell or at cost whichever is applicable.

For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation up to the balance sheet date.

2.8 Government grants

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

Government grants related to property, plant and equipment, including non-monetary grants, are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the asset.

Government grants of revenue in nature are recognized on a systematic basis in the statement of profit and loss over the period necessary to match them with the related costs and are adjusted with the related expenditure. If not related to a specific expenditure, it is considered as income and included under "Other Operating Revenue" or "Other Income".

The benefit of a government loan at a below-market rate of interest or loan with interest subvention is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.9 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

2.10 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company's lease asset class primarily consist of leases for land. At the inception of the contract, Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) Company has the right to direct the use of the asset.

At the date of commencement of the lease, Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low-value leases. For these short-term or low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

2.11 Provisions, contingent liabilities and contingent assets

(a) A provision is recognized if, as a result of a past event, Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset. The expense relating to the provision is presented in the statement of profit and loss, net of any reimbursement.

(b) Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(c) A contingent asset is not recognized in the financial statements, however, it is disclosed, where an inflow of economic benefits is probable.

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

2.12 Dividend payable

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

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

2.13 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding on the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Any income or expense arising on account of foreign exchange difference, either on settlement or on translation, is recognized in the statement of profit and loss.

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

2.14 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits, are recognized as an expense at the undiscounted amount in the statement of profit and loss in the year in which the related service is rendered.

(b) Defined contribution plans

The Company pays provident and other fund contributions to publicly administered fund as per related Government regulations.

The Company has no further obligation, other than the contributions payable to the respective funds. The Company recognizes contribution payable to such funds as an expense when an employee renders the related service.

(c) Defined benefit plans

The Company operates a defined benefit gratuity plan, which requires contributions to be made to "The Balrampur Sugar Company Limited Employees Gratuity Fund" ("the Trust"). Trustees administer contributions made to the Trust and contributions are invested through insurance companies.

The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated by external actuaries using the projected unit credit method.

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

(d) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using the projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

2.15 Financial instruments

Financial assets and financial liabilities are recognized in the balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

Financial assets

(a) Initial recognition and measurement

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

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

Fair value measurement

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 Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(i) Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

(ii) Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

(iii) Level 3: Unobservable inputs for the asset or liability.

(b) Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

(i) At amortized cost,

(ii) At fair value through other comprehensive income (FVTOCI), and

(iii) At fair value through profit or loss (FVTPL).

Financial assets at amortized cost

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and

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

Amortized cost is determined using the Effective Interest Rate ("EIR") method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are not classified in any of the categories above are fair value through profit or loss.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

Equity investments

Equity investments in the scope of Ind AS - 109 are measured at fair value except for investment in associates which are carried at cost.

The Company makes an election to present changes in fair value either through OCI or through profit or loss on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. Profit or loss arising on sale thereof is also taken to OCI and the amount accumulated in this respect is transferred within the Equity.

(c) De-recognition

Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Financial liabilities

(a) Initial recognition and measurement

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments, etc.

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

(b) Subsequent measurement

For subsequent measurement, financial liabilities are classified into two categories:

(i) Financial liabilities at amortized cost, and

(ii) Derivative instruments at fair value through profit or loss (FVTPL).

Financial liabilities at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

(c) De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Derivative financial instruments

Initial recognition and subsequent measurement

A derivative financial instrument, such as foreign exchange forward contracts are used to hedge foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

Offsetting of financial instruments

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

Equity share capital

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

2.16 Impairment of Assets

(a) Non-financial assets

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed so that the asset is recognized at its recoverable amount but not exceeding the value which would have been reported in this respect if the impairment loss had not been recognized.

(b) Financial assets

The Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortized cost and fair value through other comprehensive income.

The Company recognizes lifetime expected credit losses for trade receivables.

Loss allowance equal to the lifetime expected credit losses, are recognized if the credit risk of the financial asset has significantly increased since initial recognition.

2.17 Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in Equity or other comprehensive income (OCI).

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and Equity respectively.

Management periodically evaluates positions taken in the tax returns to situations in which applicable tax regulations are subject to interpretation and full provisions are made where appropriate based on the amount expected to be paid to the tax authorities.

Notes forming part of the Standalone Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(b) Deferred income tax

Deferred income tax assets and liabilities are recognized for the deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that the same will be reversed or sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

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

2.18 Earnings per Share

(a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

(b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined at the end of each period presented.

The number of equity shares and potential dilutive Equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected before the approval of the financial statements by the Board of Directors.

2.19 Segment reporting

Operating segments are identified and reported taking into account the different risk and return, organizational structure and internal reporting system.

2.20 Cash and cash equivalents

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

2.21 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes forming part of the Standalone Financial Statements

Note No. : 3 Use of critical estimates, judgments and assumptions

The preparation of the financial statements in conformity with the measurement principle under Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent assets and liabilities.

The estimates, judgments and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

The application of accounting policies that require critical judgments and accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed herein below.

(i) Estimated useful life of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed periodically including at each financial year end. The lives are based on technical evaluation, technological obsolesces and historical experience with similar assets as well as anticipation of future events, which may impact their lives. This re-assessment may result in a change in depreciation and amortization expense in future periods.

(ii) Current taxes and deferred taxes

Significant judgment is required in the determination of the taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes and option to be exercised for application of reduced rates of taxation on possible cessation of tax deduction and exhaustion of MAT credit entitlement in future years based on estimates of future taxable profits.

Deferred tax assets are recognized for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that taxable profit would probably be available against which the losses could be utilized. Significant judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination.

(iii) Retirement benefit obligations

The Company's retirement benefit obligations cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, inflation, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at every financial year end.

(iv) Fair value measurements of financial instruments

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets are determined using valuation techniques including the Discounted Cash Flow (DCF) model. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions at regular intervals.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes forming part of the Standalone Financial Statements

Note No. : 3 Use of critical estimates, judgments and assumptions *(contd.)*

(v) Provisions, contingent liabilities and contingent assets

The timing of recognition and quantification of the provisions, contingent liabilities and contingent assets require the application of judgment to existing facts and circumstances which are subject to change on the actual occurrence or happening. Judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company and possible inflow of resources in respect of the claims made by the Company which has been considered to be contingent in nature. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Notes forming part of the Standalone Financial Statements

Note No. : 4 Property, plant and equipment and Capital work-in-progress

(₹ in Lacs)

Particulars	Property, Plant and Equipment													Capital work-in-progress @
	Land (Free hold)	Land (Lease hold)	Land (Right of use)	Buildings	Roads	Plant and equipment	Furniture & Fixtures	Vehicles	Office equipment	Computers	Electrical Installation and equipment	Pipelines	Total	
Gross block														
Gross carrying amount as at 1st April, 2019	**6543.87**	**402.54**	**–**	**37692.52**	**1608.22**	**111152.89**	**826.83**	**1574.63**	**188.35**	**790.52**	**12115.37**	**8199.65**	**181095.39**	**4582.51**
Additions during the year	105.74	–	634.93	4262.31	761.22	18709.93	193.08	340.16	42.32	118.55	3072.20	3321.36	31561.80	24902.40
Disposals/deductions during the year	0.69	402.54	–	93.89	–	767.70	35.08	220.46	10.67	18.30	1.91	17.00	1568.24	28245.27
Gross carrying amount as at 31st March, 2020	**6648.92**	**–**	**634.93**	**41860.94**	**2369.44**	**129095.12**	**984.83**	**1694.33**	**220.00**	**890.77**	**15185.66**	**11504.01**	**211088.95**	**1239.64**
Depreciation /amortisation														
Accumulated depreciation / amortisation as at 1st April, 2019	**–**	**25.66**	**–**	**5049.84**	**1225.32**	**21837.00**	**376.78**	**588.69**	**92.45**	**452.62**	**6480.09**	**2964.95**	**39093.40**	**–**
Depreciation/ amortisation for the year	–	–	10.29	1430.52	87.38	6504.01	94.33	275.49	34.69	143.09	682.76	811.09	10073.65	–
Disposals/deductions during the year	–	25.66	(25.66)	16.73	–	182.98	24.12	145.58	7.29	14.91	0.04	2.12	393.77	–
Accumulated depreciation / amortisation as at 31st March, 2020	**–**	**–**	**35.95**	**6463.63**	**1312.70**	**28158.03**	**446.99**	**718.60**	**119.85**	**580.80**	**7162.81**	**3773.92**	**48773.28**	**–**
Net carrying amount as at 31st March, 2020	**6648.92**	**–**	**598.98**	**35397.31**	**1056.74**	**100937.09**	**537.84**	**975.73**	**100.15**	**309.97**	**8022.85**	**7730.09**	**162315.67**	**1239.64**
Gross block														
Gross carrying amount as at 1st April, 2018	**6583.56**	**402.54**	**–**	**36491.75**	**1591.46**	**107389.18**	**744.14**	**1437.83**	**168.07**	**657.74**	**11196.18**	**7647.76**	**174310.21**	**1125.21**
Additions during the year	14.73	–	–	1211.18	16.76	4393.52	108.94	369.81	34.42	150.43	961.01	552.65	7813.45	9887.65
Disposals/deductions during the year	54.42	–	–	10.41	–	629.81	26.25	233.01	14.14	17.65	41.82	0.76	1028.27	6430.35
Gross carrying amount as at 31st March, 2019	**6543.87**	**402.54**	**–**	**37692.52**	**1608.22**	**111152.89**	**826.83**	**1574.63**	**188.35**	**790.52**	**12115.37**	**8199.65**	**181095.39**	**4582.51**
Depreciation /amortisation														
Accumulated depreciation / amortisation as at 1st April, 2018	–	19.22	–	3724.05	1161.61	15743.38	315.47	459.75	75.27	317.70	5938.13	2192.89	29947.47	–
Depreciation/ amortisation for the year	–	6.44	–	1328.30	63.71	6215.04	81.81	276.69	28.36	142.53	572.78	772.06	9487.72	–
Disposals/deductions during the year	–	–	–	2.51	–	121.42	20.50	147.75	11.18	7.61	30.82	–	341.79	–
Accumulated depreciation / amortisation as at 31st March, 2019	**–**	**25.66**	**–**	**5049.84**	**1225.32**	**21837.00**	**376.78**	**588.69**	**92.45**	**452.62**	**6480.09**	**2964.95**	**39093.40**	**–**
Net carrying amount as at 31st March, 2019	**6543.87**	**376.88**	**–**	**32642.68**	**382.90**	**89315.89**	**450.05**	**985.94**	**95.90**	**337.90**	**5635.28**	**5234.70**	**142001.99**	**4582.51**

@ Refer Note No. 4A.

Notes:

a) Depreciation capitalised and transferred to Capital work in progress ₹ 12.18 lacs (Previous year: ₹ 3.16 lacs) - Refer Note No. 4A.

b) The finance costs on borrowings capitalised during the year amounted to ₹ 20.47 lacs (Previous year: ₹ 26.82 lacs) using the capitalisation rate of 4.43% (Previous year: 6.52%) per annum which is the effective interest rate on such borrowings.

c) The Company has availed loans from banks and other entities against security of the fixed assets as referred in Note No. 18.

d) Disposals/deductions/adjustments during the year include reclassification with respect to Right-of-use ("ROU") asset on implementation of "Ind AS" 116 with corresponding increase of such assets being shown under Additions/reclassification during the year [Refer Note No. 36(13) for other disclosures].

e) Buildings include ₹ 1.66 Lacs being cost to 79833 equity shares of Fortuna Services Ltd.

Notes forming part of the Standalone Financial Statements

Note No. : 4A Capital work-in-progress

(₹ in Lacs)

Particulars	As at 31st March, 2020			As at 31st March, 2019		
Building, plant and equipment, electrical installations etc. in - progress						
Additions during the year			24513.80			9715.83
(A)			**24513.80**			**9715.83**
Preoperative and trial run expenses						
Additions during the year :						
Cost of materials consumed			32.84			45.59
Employee benefits expense						
Salaries and wages		87.95			13.27	
Contribution to provident and other funds		7.99			1.22	
Staff welfare expense		1.37	97.31		-	14.49
Finance costs						
Interest [Refer Note No. 4(b)]			20.47			26.82
Depreciation expense			12.18			3.16
Other expenses						
Consumption of stores						
Process chemicals	–			0.96		
Others	0.09	0.09		0.02	0.98	
Power and fuel		25.55			–	
Insurance		1.15			0.03	
Rates and taxes (excluding taxes on income)		9.48			1.46	
Professional expenses		138.97			93.65	
Miscellaneous expenses		52.04	227.28		5.39	101.51
(B)			**390.08**			**191.57**
Income during trial run :						
Inter division transfers						
Power			1.48			13.26
Credit during pre-operative / trial run :						
Sales			–			6.49
(C)			**1.48**			**19.75**
Total additions during the year D= (A+B-C)			**24902.40**			**9887.65**
Balance brought forward						
Building, plant and equipment , electrical installations etc. in - progress (E)			4582.51			1125.21
F = (D+E)			**29484.91**			**11012.86**
Capitalised during the year (G)			28245.27			6430.35
Capital work-in-progress at the end of the year H= (F-G)			**1239.64**			**4582.51**

Note:

The Company has commissioned on 12th January, 2020, 160 KLPD zero discharge effluent waste distillery at Gularia unit along with 7.56 MW incineration boiler and corresponding cost included under (G) above has been capitalised and transferred to property, plant and equipment.

Notes forming part of the Standalone Financial Statements

Note No. : 5 Intangible assets

(₹ in Lacs)

Particulars	Intangible assets Computer Software (Acquired)
Gross block Gross carrying amount as at 1st April, 2019	**540.68**
Additions during the year	15.42
Gross carrying amount as at 31st March, 2020	556.10
Amortisation Accumulated amortisation as at 1st April, 2019	386.92
Amortisation for the year	80.25
Accumulated amortisation as at 31st March, 2020	467.17
Net carrying amount as at 31st March, 2020	88.93
Gross block	
Gross carrying amount as at 1st April, 2018	490.59
Additions during the year	50.09
Gross carrying amount as at 31st March, 2019	540.68
Amortisation Accumulated amortisation as at 1st April, 2018	286.35
Amortisation for the year	100.57
Accumulated amortisation as at 31st March, 2019	386.92
Net carrying amount as at 31st March, 2019	153.76

Note:
The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer Note No. 18 for charge created/ security terms for the said loans).

Notes forming part of the Standalone Financial Statements

Note No. : 6 Investments

(i) Non-current (₹ in Lacs)

Particulars	Face value	Number of Shares / debentures	As at 31st March, 2020	Number of Shares / debentures	As at 31st March, 2019
(a) Investment in Equity instruments (Carried at cost)					
Fully paid up :					
Unquoted					
Investment in associates *					
Visual Percept Solar Projects Pvt. Ltd.	₹10	8914500	2228.63	8914500	2228.63
Auxilo Finserve Pvt. Ltd. [Refer Note No. 36(18)]	₹10	155000000	15750.00	75000000	7500.00
(A)			17978.63		9728.63
(b) Investment in Equity instruments					
(Designated at fair value through other comprehensive income)					
Fully paid up :					
Unquoted					
Asia Sugar Industries Pvt. Ltd.	₹10	–	–	250000	60.93
Fortuna Services Ltd.	₹1	–	–	70287	0.70
(B)			–		61.63
(c) Investment in Debentures # (Measured at amortised cost)					
Fully paid up :					
Unquoted					
Investment in associate					
Visual Percept Solar Projects Pvt. Ltd.	₹100	–	–	1822500	2210.63
(C)			–		2210.63
(d) Investment in Post Office National Saving Certificates					
(Measured at amortised cost)					
Unquoted		–			4.84
(Deposited with government authorities)					
(D)			–		4.84
E = (A + B + C + D)			17978.63		12005.73
Aggregate amount of quoted investments			Not applicable		Not applicable
Aggregate market value of quoted investments			Not applicable		Not applicable
Aggregate amount of unquoted investments			17978.63		12005.73
Aggregate amount of impairment in value of investments			Nil		Nil
Aggregate amount of investments carried at cost			17978.63		9728.63
Aggregate amount of investments carried at amortized cost			–		2215.47
Aggregate amount of investments designated at fair value through other comprehensive income			–		61.63

* The list of associates along with proportion of ownership interest held and country of incorporation are disclosed in Note No. 6 to Consolidated Financial Statements.

\# As per modified terms adopted during the year, debentures are to be redeemed fully in four equal installments at a premium of 25% along with proportionate coupon @ 14% per annum, the last installment being redeemable on 30th June 2020 has been shown under current investments.

Notes forming part of the Standalone Financial Statements

Note No. : 6 Investments *(contd.)*

(ii) Current (₹ in Lacs)

Particulars	Face value	Number of debentures	As at 31st March, 2020	Number of debentures	As at 31st March, 2019
Investment in Debentures (Measured at amortised cost)					
Fully paid up :					
Unquoted					
Investment in associate					
Visual Percept Solar Projects Pvt. Ltd.*	₹100	455625	564.58	–	–
			564.58		–
Aggregate amount of unquoted investments			564.58		–
Aggregate amount of impairment in value of investments			Nil		Nil
Aggregate amount of investments carried at amortized cost			564.58		–

* Redeemable on 30th June, 2020.

Note No. : 7 Trade and other receivables (carried at amortized cost)

(i) Non-current (Unsecured, considered good unless stated otherwise) (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Trade receivables				
Credit impaired		97.63		97.63
Less : Allowance for impaired receivables		97.63		97.63
		–		–

(ii) Current (Unsecured, considered good unless stated otherwise) (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Trade receivables*		23928.87		44985.00
Other receivables		–		18.36
		23928.87		45003.36

* Refer Note No. 18 for charge created against trade receivables.

* The above includes ₹ Nil (Previous year: ₹ 15878.23 lacs) against which the Company holds irrevocable letter of credit (""LCs"") issued by banks in favour of the Company. Amount received as discounting of receivables backed by LCs have been shown as Post-shipment credit under Borrowings - Current - Refer Note No. 18(ii).

Notes forming part of the Standalone Financial Statements

Note No. : 8 Other financial assets (carried at amortized cost)

(i) Non-current (Unsecured, considered good unless stated otherwise) (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Security deposits		92.41		68.70
Fixed deposits with banks				
(Bank deposits with more than 12 months maturity)				
For Molasses storage fund (Earmarked)	0.97		–	
With excise authorities (Pledged)	105.17	106.14	71.27	71.27
Interest accrued but not due on				
Fixed deposits with banks	5.58		3.38	
National saving certificates	–	5.58	2.16	5.54
		204.13		**145.51**

(ii) Current (Unsecured, considered good unless stated otherwise) (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Advances to employees		182.20		149.03
Claims receivable*		29597.40		18973.48
Interest accrued but not due on				
Fixed deposits with banks	2.64		6.39	
Others	3.25	5.89	2.66	9.05
		29785.49		**19131.56**

* Includes claim for subsidy [Refer Note No. 36(8)]

Note No. : 9 Non-current tax assets (net)

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Advance tax		48027.66		42924.98
Less : Provision for taxation		47187.39		37671.06
		840.27		**5253.92**

Note No. : 10 Other non-current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Capital advances		70.26		2623.26
Advances other than capital advances				
Other advances				
Advances to suppliers and others				
Considered doubtful	10.33		16.33	
Less: Allowance for bad and doubtful advances	10.33	-	16.33	-
Others				
Prepaid expenses	93.93		121.03	
Duties and taxes paid under protest	319.35	413.28	454.03	575.06
		483.54		**3198.32**

Notes forming part of the Standalone Financial Statements

Note No. : 11 Inventories

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Raw materials	6941.76		5624.42	
Add : Goods-in-transit	31.12	6972.88	1.81	5626.23
Packing materials		382.59		430.11
Work-in-progress				
Sugar	3319.55		3707.98	
Molasses	342.54	3662.09	317.82	4025.80
Finished goods				
Sugar	196201.76		209204.53	
Industrial alcohol	3554.70		404.89	
Banked power	168.78		81.29	
Others	64.78		6.34	
	199990.02		**209697.05**	
Add : Goods-in-transit	2617.06	202607.08	190.16	209887.21
Stores and spares	6066.03		5446.23	
Add : Goods-in-transit	125.81		329.37	
	6191.84		5775.60	
Less: Provision for obsolescence /non-moving stores and spares [Refer Note No. 33]	100.92	6090.92	97.36	5678.24
Loose tools		0.16		0.17
By-products		9759.90		5895.37
Scrap		21.51		45.95
		229497.13		**231589.08**
Notes				
(i) Carrying amount of inventories pledged as security for loans		225053.87		230987.10
(Refer Note No. 18 for charge created/security terms against borrowings)				
(ii) Refer Note No. 2(6) for mode of valuation.				

Note No. : 12 Biological assets

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Reconciliation of changes in book value of biological assets:				
Opening balance		17.49		11.60
Additions during the year		25.57		28.10
Decrease due to harvested sugarcane transferred to inventory *		30.56		22.21
Closing balance		**12.50**		**17.49**

* includes sugarcane captively consumed

Notes forming part of the Standalone Financial Statements

Note No. : 13 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Balances with banks				
On current accounts		46.72		179.04
Cheques on hand		-		0.53
Cash on hand		102.52		32.19
		149.24		**211.76**

Note No. : 14 Bank balances other than cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Earmarked balances				
Fixed deposits for molasses storage fund				
Current portion of original maturity period				
more than 12 months	–		2.50	
Original maturity period up to 12 months	98.80	98.80	45.20	47.70
Unpaid dividend accounts		193.56		165.44
Fixed deposits pledged with excise authorities				
Current portion of original maturity period more than 12 months		0.02		15.02
Other bank balances *		23.96		52.92
		316.34		**281.08**

* Balances in subsidy accounts and escrow accounts for buy-back of equity shares and cane payment.

Note No. : 15 Other current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Advances other than capital advances				
Other advances				
Advances to suppliers and others	661.10		898.49	
Income tax refundable	4798.53		–	
GST, Vat and other taxes / duties	496.10	5955.73	402.66	1301.15
Others				
Prepaid expenses	945.42		743.90	
Interest accrued on income tax refund	455.86		–	
Miscellaneous	25.38	1426.66	25.40	769.30
		7382.39		**2070.45**

Notes forming part of the Standalone Financial Statements

Note No. : 16 Share capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	(₹ in lacs)	No. of shares	(₹ in lacs)
(a) Authorised				
Equity shares of par value ₹ 1/- each	400000000	4000.00	400000000	4000.00
Preference shares of par value ₹ 100/- each	2500000	2500.00	2500000	2500.00
		6500.00		6500.00
(b) Issued, subscribed and fully paid up				
Equity shares of par value ₹ 1/- each	220000000	2200.00	228438327	2284.38
		2200.00		2284.38

Issue of 16910 (Previous year: 16910) equity shares on Right basis has been kept in abeyance in view of pending disputes.

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	(₹ in lacs)	No. of shares	(₹ in lacs)
At the beginning of the year	228438327	2284.38	228428327	2284.28
Add: Shares issued on exercise of Employee Stock Options [Refer Note No. 36(3)]	-	-	10000	0.10
Less: Buyback of shares [Refer Note No. 36(5)]	8438327	84.38	-	-
At the end of the year	220000000	2200.00	228438327	2284.38

(d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

(e) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares held	% of holding	No. of shares held	% of holding
Shri Vivek Saraogi	35869184	16.30	35680017	15.62
Smt. Sumedha Saraogi	23027099	10.47	9166061	4.01
Late Karan Saraogi	–	–	17052904	7.46

(g) The aggregate number of equity shares bought back in immediately preceding last five years ended 31st March, 2020 - 25038327 equity shares (previous period of five years ended 31st March, 2019 - 16600000 equity shares).

(h) The Company has reserved Nil (Previous year: Nil) equity shares of par value ₹ 1/- each for issue at a premium of ₹ 44/- each to eligible employees of the Company under Employee Stock Option Scheme.

Notes forming part of the Standalone Financial Statements

Note No. : 17 Other equity

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
A. Reserve & Surplus				
(a) Capital reserves				
Balance as per last account		1075.58		1075.58
(b) Capital redemption reserve				
Balance as per last account	2820.10		2820.10	
Add: Transfer from securities premium on				
buy back of equity shares [Refer Note No. 36(5)]	84.38	2904.48	–	2820.10
(c) Securities premium				
Balance as per last account	24587.05		24578.91	
Add: On exercise of Employee Stock Options Scheme	–		8.14	
Less : Utilised on buy back of equity shares [Refer Note No. 36(5)]	14682.69		–	
Less: Transfer to capital redemption reserve on buy back of equity shares [Refer Note No. 36(5)]	84.38	9819.98	–	24587.05
(d) Share options outstanding account				
Balance as per last account	–		13.23	
Less: Options exercised [Refer Note No. 36(3)]	–		3.74	
Less: Options forfeited [Refer Note No. 36(3)]	–	–	9.49	–
(e) General reserve				
Balance as per last account	90000.00		64977.91	
Add: Transfer from retained earnings	20000.00	110000.00	25022.09	90000.00
(f) Storage fund for molasses				
Balance as per last account	39.85		139.94	
Add: Created during the year	47.34		39.08	
Less: Written back during the year	–	87.19	139.17	39.85
(g) Retained earnings				
Balance as per last account	87462.92		62820.28	
Impact of change in accounting policy relating to				
accounting of Government Grant	–		(0.39)	
	87462.92		62819.89	
Add: Profit for the year	50928.18		57063.86	
Add: Transfer from other comprehensive income	(701.39)		(513.88)	
Less: Transfer to General reserve	20000.00		25022.09	
Less: Buyback expenses				
[net of tax ₹ 56.53 lacs (Previous year: ₹ Nil) [Refer Note No. 36(5)]	105.24		–	
	117584.47		94347.78	
Less: Interim dividend paid during the year	5500.00		5710.96	
Less: Tax on interim dividend paid during the year	1130.54	110953.93	1173.90	87462.92
(A)		234841.16		205985.50
B. Other comprehensive income				
Balance as per last account	–		–	
Add: Other comprehensive income for the year	(701.39)		(513.88)	
Less: Transfer to retained earnings	(701.39)	–	(513.88)	–
(B)		–		–
C = (A + B)		234841.16		205985.50

Notes forming part of the Standalone Financial Statements

Note No. : 17 Other equity *(contd.)*

Foot notes:

i) Capital reserves comprise of reserve arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant scheme sanctioned by the Court.

ii) Capital redemption reserve is created consequent to redemption of preference share capital and buy back of equity shares. This reserve shall be utilised in accordance with the provisions of the Act.

iii) Securities premium is used to record the premium on issue of shares. This reserve is being utilised in accordance with the provisions of the Act.

iv) The share options outstanding account is used to record the value of equity-settled share based payment transactions with employees under its employee share option plan. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options by employees.

v) The general reserve represents amount transferred out of the profits of the Company and reserve aggregating to ₹ 4224.23 lacs (Previous year: ₹ 4224.23 lacs) arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant scheme sanctioned by the Court. It is not earmarked for any specific purpose.

vi) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974. During the previous year ended 31st March, 2019, ₹ 139.17 lacs was utilized from the fund and credited to the Statement of Profit and Loss in the year of utilization. The said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹ 99.77 lacs (Previous year: ₹ 47.70 lacs).

vii) Retained earnings represents the undistributed profit / amount of accumulated earnings of the Company.

viii) Other Comprehensive income (OCI) represents the balance in equity relating to re-measurement gain/(loss) of defined benefit obligation and gain or loss on non-current equity investments. This would not be re-classified to Statement of Profit and Loss.

Notes forming part of the Standalone Financial Statements

Note No. : 18 Borrowings

(i) Non-current (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Carried at amortized cost				
Term loans				
From banks				
Secured				
Rupee loans:				
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh) [Refer Footnote (a)(i) below]		21279.87		27391.12
ICICI Bank Ltd. (ICICI) [Refer Footnote (a)(ii) below]		5000.00		–
HDFC Bank Ltd. (HDFC) [Refer Footnote (a)(iii) below]		7522.50		–
From entities other than banks				
Secured				
Rupee loans:				
Government of India, Sugar Development Fund (SDF) [Refer Footnote (a)(iv) below]		–		533.40
Long term maturities of lease obligation Unsecured		223.75		–
		34026.12		27924.52

a) Nature of securities for the aforesaid borrowings including current maturities of long term debt [Refer note no.19(ii)] and deferred income [refer note no.20]:

i) Rupee Term Loan from Government of Uttar Pradesh amounting to ₹ 31031.89 lacs (Previous Year: ₹ 36508.11 lacs) under the Scheme for Financial Assistance to Sugar Undertakings, 2018, of Uttar Pradesh Government is secured by pari passu first charge, by way of hypothecation of movable fixed assets, both present and future, pertaining to seven cogen units of the Company viz. Balrampur, Babhnan, Haidergarh, Akbarpur, Mankapur, Kumbhi and Gularia.

ii) Rupee Term Loan from ICICI amounting to ₹ 5000.00 lacs (Previous year: ₹ Nil) under Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets, both present and future, pertaining to Gularia distillery unit of the Company.

iii) Rupee Term Loan from HDFC amounting to ₹ 8024.00 lacs (Previous year: ₹ Nil) under Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets, both present and future, pertaining to Gularia distillery unit of the Company.

iv) Rupee Term Loan from SDF amounting to ₹ 533.40 lacs (Previous year: ₹ 1066.81 lacs) is secured by an exclusive second charge by way of equitable mortgage on immovable properties and hypothecation of movable properties (excluding current assets and book debts), both present and future, pertaining to Company's sugar and cogeneration units at Rauzagaon.

v) Release of securities in respect of a long-term loan fully repaid by the Company is in progress.

Notes forming part of the Standalone Financial Statements

Note No. : 18 (i) Borrowings *(contd.)*

b) Terms of Repayment:

	Lender of Loan	Rate of Interest (ROI) (%)	Amount outstanding as at 31st March, 2020		Amount outstanding as at 31st March, 2019		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2020	Number of installments outstanding as at 31st March, 2020	Amount of each installment (₹ in Lacs)	Details of security offered
			Current (₹ in Lacs)	Non-current (₹ in Lacs)	Current (₹ in Lacs)	Non-current (₹ in Lacs)				
			[Refer note no.19(ii)]		[Refer note no.19(ii)]					
1	Government of U.P. (through ICICI Bank Ltd.)	* 5% p.a. (Fixed)	7301.63	21279.87^	5476.22	27391.12	4 years 3 months and 3 days	51	608.47	Refer note no. 18 (i) (a) (i) above
		Sub - Total	**7301.63**	**21279.87**	**5476.22**	**27391.12**				
2	ICICI Bank Limited	ICICI one year MCLR (+) 0.70% effective rate 8.95%	-	5000.00	-	-	4 years 8 months and 30 days	4	1250.00	Refer note no. 18 (i) (a)(ii) above
		Sub - Total	**-**	**5000.00**	**-**	**-**				
3	HDFC Bank Limited	HDFC one year MCLR (+) 0.60% effective rate 8.75%	501.50	7522.50	-	-	4 years 8 months and 30 days	16	501.50	Refer note no. 18 (i) (a) (iii) above
		Sub - Total	**501.50**	**7522.50**	**-**	**-**				
4	Government of India, Sugar Development Fund	# Bank Rate (-) 2% i.e. 4% p.a.	533.40	-	533.40	533.40	5 months and 15 days	1	533.40	Refer note no. 18 (i) (a) (iv) above
		Sub - Total	**533.40**	**-**	**533.40**	**533.40**				
		Grand Total	**8336.53**	**33802.37**	**6009.62**	**27924.52**				

* Rate of interest has been fixed by the Government of Uttar Pradesh @5% for entire tenure of the loan under the Scheme of Extending Financial Assistance to Sugar Undertaking - 2018

\# Bank rate as prevailing on the date of disbursement.

^ excluding ₹ 2450.40 Lacs (Previous year: ₹ 3640.78 Lacs) on account of effective interest rate adjustment for being taken to Deferred Income as stated in Note No. 36(8)(xiii).

Notes forming part of the Standalone Financial Statements

Note No. : 18 Borrowings *(contd.)*

(ii) Current (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Carried at amortized cost				
Loans repayable on demand				
Working capital loans				
From banks				
Secured				
Rupee loans				
State Bank of India (SBI)	46889.20		66879.25	
HDFC Bank Ltd. (HDFC)	20000.72		12957.16	
Kotak Mahindra Bank Ltd. (KOTAK)	9255.44		5100.07	
ICICI Bank Ltd. (ICICI)	14723.84		68.46	
Bank of Baroda (BOB)	15000.00	105869.20	–	85004.94
Foreign currency loans				
Pre-shipment packing credit				
HDFC Bank Ltd. (HDFC)		–		4363.10
Other loans				
Working capital loans				
From banks				
Secured				
Rupee loans				
HDFC Bank Ltd. (HDFC)		–		38762.94
Foreign currency loans				
Post-shipment credit (Bill discounted with banks)				
HDFC Bank Ltd. (HDFC)	–		5674.92	
ICICI Bank Ltd. (ICICI)	–	–	5660.34	11335.26
		105869.20		139466.24
Summary of current borrowings				
Secured borrowings		105869.20		139466.24
Unsecured borrowings		–		–
		105869.20		139466.24

Notes forming part of the Standalone Financial Statements

Note No. : 18 Borrowings *(contd.)*

Nature of securities :

a) Working capital loans from SBI are secured / to be secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with HDFC, ICICI, Kotak and BOB.

ii) by way of exclusive hypothecation of entire current assets of all the Cogeneration units of the Company.

iii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar units of the Company on pari passu with HDFC.

During the year Company has appointed Security Trustee for custody of the title deeds of immovable properties of all the ten sugar units of the Company. At present title deeds of eight sugar units has been handed over and accordingly charge has been created.

b) Working capital loans from HDFC are secured / to be secured (except as given in (c) below)

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with SBI, ICICI, Kotak and BOB.

ii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar units of the Company on pari passu with SBI.

During the year Company has appointed Security Trustee for custody of the title deeds of immovable properties of all the ten sugar units of the Company. At present title deeds of eight sugar units has been handed over and accordingly charge has been created.

c) Working Capital Loan from HDFC amounting to ₹ Nil (Previous Year: ₹ 38762.94 lacs) under the Scheme for extending Soft Loans to Sugar Mills by Central Government was secured by first charge, by way of hypothecation of movable fixed assets, both present and future, pertaining to nine sugar units of the Company viz. Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur. Kumbhi, Gularia and Maizapur and was further secured by way of hypothecation of movable fixed assets, both present and future, pertaining to three distillery units of the Company viz. Balrampur, Babhnan and Mankapur. The said amount has been fully repaid during the year and charge has been duly satisfied.

d) Working capital loans from ICICI are secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with SBI, HDFC, Kotak and BOB.

e) Working capital loans from Kotak are secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with SBI, HDFC, ICICI and BOB.

f) Working capital loans from BOB are secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with SBI, HDFC, ICICI and Kotak.

Notes forming part of the Standalone Financial Statements

Note No. : 19 Other financial liabilities (Carried at amortized cost)

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Interest accrued but not due on borrowings		–		153.09
		–		**153.09**

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Current maturities of long - term debt *		8336.53		6009.62
Current maturities of lease obligation		16.63		-
Interest accrued but not due on borrowings		660.97		502.51
Unpaid dividend @		193.56		165.44
Other payables				
Retention monies	1615.33		889.09	
Security deposits	1832.06		516.60	
Accrued expenses	188.23		160.10	
Unpaid salaries and other payroll dues	3568.33		3414.10	
Others	172.12	7376.07	163.48	5143.37
		16583.76		**11820.94**

* Refer Note No. 18(i) (a) and (b) for nature of securities and terms of repayment respectively.

@ There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note No. : 20 Deferred income

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Opening balance		3640.78		14.17
Add: Addition during the year [Refer Foot Note (xiii) of Note No. 36(8)]		-		4051.19
Less: Transferred to the Statement of Profit and Loss		1190.38		424.58
[Refer Note No. 36(8) (h) and (i)]				
Closing balance		**2450.40**		**3640.78**
Current		982.59		1190.38
Non - Current		1467.81		2450.40
[Refer Note No. 36(8) for other disclosures]				

Notes forming part of the Standalone Financial Statements

Note No. : 21 Provisions

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Provision for employee benefits - unavailed leave		672.10		528.45
[Refer Note No. 36(9)]				
		672.10		528.45

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Provision for employee benefits [Refer Note No. 36(9)]				
Unavailed leave	438.83		434.55	
Gratuity	1584.12	2022.95	137.41	571.96
Other provisions				
Provision for contingencies [Refer Note No. 36(2)]		0.42		0.42
		2023.37		572.38

Note No. : 22 Deferred tax liabilities (net)

As at 31st March, 2020

(₹ in Lacs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in equity	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Depreciation	27481.87	(5670.97)	–	–	21810.90
Investments	135.64	(97.56)	–	–	38.08
	27617.51	(5768.53)	–	–	21848.98
Tax effect of items constituting deferred tax assets					
Carried forward tax losses/unabsorbed depreciation	231.81	(192.41)	–	–	39.40
Expenses allowable on payment basis	337.83	(164.69)	–	–	173.14
VRS expenses	28.65	(28.65)	–	–	-
MAT credit entitlement	19187.71	(237.12)	56.53	214.97	19222.09
	19786.00	(622.87)	56.53	214.97	19434.63
Net deferred tax liabilities / expense	7831.51	(5145.66)	(56.53)	(214.97)	2414.35

Notes forming part of the Standalone Financial Statements

Note No. : 22 Deferred tax liabilities (net) *(contd.)*

As at 31st March, 2019 (₹ in Lacs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Depreciation	27334.72	147.15	-	27481.87
Investments	157.82	(22.18)	-	135.64
	27492.54	**124.97**	**-**	**27617.51**
Tax effect of items constituting deferred tax assets				
Carried forward tax losses/unabsorbed depreciation	224.77	7.04	-	231.81
Expenses allowable on payment basis	299.06	38.77	-	337.83
VRS expenses	57.28	(28.63)	-	28.65
MAT credit entitlement	8565.95	10515.95	105.81	19187.71
	9147.06	**10533.13**	**105.81**	**19786.00**
Net deferred tax liabilities / expense	**18345.48**	**(10408.16)**	**(105.81)**	**7831.51**

The ultimate realisation of deferred tax assets, carried forward losses and unused tax credits is dependent upon the generation of future taxable income. Deferred tax assets including MAT credit entitlement is recognised on management's assessment of reasonable certainty for reversal/ utilisation thereof against future taxable income.

According to the provisions of section 115BAA of the Income Tax Act 1961, as announced by the Taxation Laws (Amendment) Ordinance 2019 and promulgated as the Taxation Laws (Amendment) Act, 2019 enacted on 11th December 2019 with effect from 1st April 2019, domestic companies have an option to pay income tax at 22% plus applicable surcharge and cess ("the concessional rate") by foregoing certain exemptions/ deductions ('the new tax regime') as specified in the said section.

Based on the assessment of the possible impact of the new tax regime, the Company has decided to continue with existing tax structure till certain deductions are available and accumulated Minimum Alternate Tax (MAT) credit is substantially exhausted and thereafter, to opt for new tax regime as stated above.

Accordingly, deferred tax liabilities (net) have been re-measured and the Company has recognized deferred tax income amounting to ₹ 7522.77 lacs (Previous Year: Nil) on account of the re- measurement of deferred tax liabilities that are expected to be reversed consequent to adoption of lower tax rate post switchover to the new tax regime.

Note No. : 23 Other Non-current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Deferred gain on changes in fair value of financial assets		–		35.93
		–		**35.93**

Notes forming part of the Standalone Financial Statements

Note No. : 24 Trade and other payables

Current (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Trade payables				
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 36(4)]		203.75		95.43
Total outstanding dues of creditors other than micro enterprises and small enterprises		66790.75		60529.44
		66994.50		60624.87
Other payables				
Payable to suppliers of capital goods				
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 36(4)]		8.67		29.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		792.01		1196.44
		800.68		1225.52
		67795.18		61850.39

Note No. : 25 Other Current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Other advances				
Advances from customers		3216.45		469.12
Others				
Statutory liabilities	2371.49		2731.20	
Others [Refer Note No. 36(4)]	323.77	2695.26	352.09	3083.29
		5911.71		3552.41

Note No. : 26 Revenue from operations

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Sale of goods				
Domestic sales				
Sugar	365701.47		324572.10	
Industrial alcohol	54530.76		46324.88	
Power	16160.76		32801.46	
Bagasse	7270.67		5454.44	
Others	2594.85	446258.51	2301.42	411454.30
Export sales				
Sugar		–		16168.76
		446258.51		427623.06
Other operating revenue				
Government grants [Refer Note No. 36(8)]				
Insurance and storage charges on buffer stock	555.70		360.57	
Export incentive and assistance	27225.08		–	
Re-imbursement of transportation expenses for export	90.11	27870.89	593.88	954.45
Revenue from operations		474129.40		428577.51
[Refer Note No. 36(11) for other disclosures]				

Notes forming part of the Standalone Financial Statements

Note No. : 27 Other income

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Interest income on financial assets carried at amortized cost				
Non-current investments				
Debentures	284.93		191.66	
National saving certificates	0.37		0.60	
	285.30		192.26	
Deposit with banks and others	15.34	300.64	23.75	216.01
Interest income on income tax refund		455.86		-
Gain on sale of highly liquid investments				
(treated as cash equivalent)		836.60		1317.57
Government grants [Refer Note No. 36(8)]				
Amortized portion of deferred income		-		14.17
Other non-operating income				
Net gain on foreign currency transactions and translations	1.92		-	
Fair value gain on derivatives	-		773.24	
Insurance claims	237.11		100.44	
Liabilities no longer required written back	713.73		805.87	
Profit on sale/discard of property, plant and equipment (net)	476.28		-	
Recovery towards written off balances	4.84		3.58	
Provision for doubtful advances written back	6.00		-	
Provision for contingencies written back [Refer Note No. 36(2)]	-		0.21	
Storage fund for molasses written back [Refer Note No. 17 (vi)]	-		139.17	
Miscellaneous	821.69	2261.57	904.24	2726.75
		3854.67		**4274.50**

Note No. : 28 Cost of materials consumed

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Sugar cane *		344149.85		354036.80
Others		2265.96		5503.90
		346415.81		**359540.70**

* Refer Note No. 36(8) (b) and (c) for adjustments of government grants.

Notes forming part of the Standalone Financial Statements

Note No. : 29 Changes in inventories of finished goods, by-products and work-in-progress

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Finished goods				
Opening stock				
Sugar	209249.90		151651.93	
Industrial alcohol	549.68		2884.21	
Banked power	81.29		67.12	
Others	6.34	209887.21	71.64	154674.90
Less : Closing stock				
Sugar	198648.63		209249.90	
Industrial alcohol	3716.67		549.68	
Banked power	168.78		81.29	
Others	73.00	202607.08	6.34	209887.21
Less: Power used during the trial run of capital projects		12.93		-
Decrease/(Increase) (A)		**7267.20**		**(55212.31)**
By-products				
Opening stock		5895.37		7493.94
Less : Closing stock		9759.90		5895.37
Less: Bagasse used during the trial run of capital projects		32.84		42.00
(Increase)/Decrease (B)		**(3897.37)**		**1556.57**
Work- in-progress				
Opening stock				
Sugar	3707.98		3511.47	
Molasses	317.82	4025.80	333.63	3845.10
Less : Closing stock				
Sugar	3319.55		3707.98	
Molasses	342.54	3662.09	317.82	4025.80
Decrease/(Increase)(C)		**363.71**		**(180.70)**
Decrease/(Increase) D = (A + B + C)		**3733.54**		**(53836.44)**

Note No. : 30 Employee benefits expense

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Salaries and wages		22547.21		20612.69
Contribution to provident, gratuity and other funds		2456.45		2163.42
Employee stock option expense [Refer Note No. 36(3)]		–		(9.49)
Staff welfare expense		399.90		279.17
		25403.56		23045.79
Less: Recovery towards deputation of employee		3.95		–
		25399.61		**23045.79**

Notes forming part of the Standalone Financial Statements

Note No. : 31 Finance costs

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Interest				
On long term borrowings	1874.94		748.99	
On short term borrowings	4452.22		3152.22	
Others *	52.74	6379.90	145.04	4046.25
Other borrowing costs		37.12		47.26
		6417.02		**4093.51**
* Includes interest on statutory dues		4.33		2.71
* Includes interest on shortfall in payment of advance income-tax		21.94		133.86

Note No. : 32 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Depreciation and amortisation of property, plant and equipment [Refer Note No. 4]		10061.48		9484.56
Amortisation of intangible assets [Refer Note No. 5]		80.25		100.57
		10141.73		**9585.13**

Notes forming part of the Standalone Financial Statements

Note No. : 33 Other expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Consumption of stores				
Process chemicals	2884.53		3343.76	
Others	258.28	3142.81	362.34	3706.10
Packing materials		3729.91		4520.87
Power and fuel		404.05		425.87
Rent		68.64		67.33
Repairs				
Buildings	320.36		473.60	
Machinery	6660.77		6019.96	
Others	187.67	7168.80	191.97	6685.53
Insurance		775.21		537.22
Rates and taxes (excluding taxes on income)		508.17		574.27
Commission to non-executive directors		92.20		79.50
Directors' fees		25.80		26.00
Payments to auditors				
As auditor for statutory audit	45.00		45.00	
For other services (Limited reviews and certifications)	21.00	66.00	15.20	60.20
Cost audit fees		3.50		3.50
Professional expenses #		606.75		5635.22
Freight and handling expenses		6100.01		2463.46
Brokerage and commission		587.25		494.18
Net loss on foreign currency transactions and translations		-		110.80
Charity and donation		20.36		13.03
Corporate social responsibility expense [Refer Note No. 36(6)]		1092.89		293.44
Miscellaneous expenses [Refer Note No. 36(8)(d)(i)]		5477.03		4810.33
Loss on sale/discard of property, plant and equipment (net)		-		201.24
Claims receivable written off [Refer foot note (x) of Note No.36(8)]		262.94		-
Sundry debit balances/advances written off		196.59		63.74
Payment towards balances earlier written back		3.70		11.78
Transfer to storage fund for molasses		47.34		39.08
Provision for obsolescence /non-moving store and spares		3.56		97.36
		30383.51		**30920.05**
# Includes expenses incurred towards fulfillment of export obligation		**153.41**		**5343.84**

Notes forming part of the Standalone Financial Statements

Note No. : 34 Tax expense

(₹ in Lacs)

Particulars		Year ended 31st March, 2020		Year ended 31st March, 2019	
Current tax			9710.33		12847.57
Deferred tax [Refer Note No. 22]			(5145.66)		(10408.16)
			4564.67		**2439.41**
Reconciliation of Tax Expense					
Profit before tax			55492.85		59503.27
Applicable tax rate (using the Company's tax rate)			34.944%		34.944%
Computed tax expense	(A)		**19391.42**		**20792.82**
Adjustments for:					
Expenses not allowed for tax purpose			270.16		138.15
Effect of tax deductions			(5940.48)		(7512.96)
Changes in recognized deductible temporary differences			(7460.30)		(247.47)
Effect of transition adjustment under MAT			(24.53)		(30.26)
Recognition of MAT credit			(1671.60)		(10700.87)
Net adjustments	(B)		**(14826.75)**		**(18353.41)**
Tax Expense	C=(A+B)		**4564.67**		**2439.41**

Note No. : 35 Other comprehensive income

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Items that will not be reclassified to profit or loss				
Re-measurements of defined benefit plans		(1170.37)		(789.91)
Equity Instruments through Other Comprehensive Income		60.00		-
		(1110.37)		**(789.91)**
Less: Income tax relating to items that will not be				
reclassified to profit or loss		408.98		276.03
		(701.39)		**(513.88)**

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities :

(₹ in Lacs)

Sl. No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
(i)	Claims against the Company not acknowledged as debts :				
	- Excise duty demand - under appeal		–		167.00
	- Sales tax demand- under appeal		10.23		12.98
	- Others - under appeal/litigation		235.71		605.91
			245.94		**785.89**
(ii)	Claims for acquisition of 1.99 acres of land for the Distillery unit at Balrampur and compensation there against is under dispute as the matter is subjudice		Amount not ascertainable		Amount not ascertainable

Also refer Note No. 36(16) (b) for availment of remission of taxes and levies pending final decision at the Hon'ble Supreme Court on the matter.

The amounts shown in (i) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals/litigations.

(b) Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for

(₹ in Lacs)

Sl. No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for		984.86		16717.77
(ii)	Advance paid against above		70.26		2623.26

Other Commitment :

On 23rd June, 2020, the Board of Directors of the Company have approved the buyback of 1,00,00,000 fully paid-up equity shares of the face value of ₹ 1/- each of the Company at a price not exceeding ₹ 180/- per Equity share ("Maximum Buyback Price") and for an amount not exceeding ₹ 18000.00 Lacs ("Maximum Buyback Size") through the "Tender Offer" route using the stock exchange mechanism in the manner as prescribed in the Companies Act, 2013 and relevant rules thereunder and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

2. Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent liabilities and Contingent assets :

(a) Provision for contingencies

(i) Provisions for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other claims against the Company based on the Management's assessment.

(ii) Movements in Provision for contingencies:

(₹ in Lacs)

Particulars	Litigation claims
Balance as at 1st April, 2019	0.42
Provided during the year	-
Balance as at 31st March, 2020	0.42
- Non-current	-
- Current	0.42
Balance as at 1st April, 2018	0.63
Reversed during the year upon final decision	0.21
Balance as at 31st March, 2019	0.42
- Non-current	-
- Current	0.42

It is not possible to estimate the timing/uncertainties relating to utilisation /reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals. The Company does not expect any reimbursement in respect of above provisions.

(b) Contingent assets

During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances. Also refer Note No. 36(16)(a) in this respect.

3. The Employee Stock Option Scheme 2005 (Scheme 2005) of the Company was formulated by the Committee of the Board of Directors of the Company and approved by the Board at its meeting held on 11th August, 2005 and 31st October, 2005 and by the shareholders at the Extraordinary General Meeting of the Company held on 8th September, 2005 and in accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 prescribed by the Securities and Exchange Board of India.

Options granted had vesting period of one year and exercise period of maximum eight years.

The maximum number of options granted till 31st March, 2019 stands at 52,45,500 and each option was equivalent to one equity share of par value of ₹ 1/- each of the Company.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

The details of Options granted, lapsed and exercised as at 31st March, 2019 are as under :

Particulars	During year ended 31st March, 2019	Cumulative upto 31st March, 2019
Year of Issue	2008-09	Not Applicable
Series	5th Series	
Date of grant of Option	28/05/2009	
Initial exercise price (₹)	45.00	
Revised exercise price (₹)	Not applicable	
Market price on the date of grant (₹)	82.35	
Excess of initial exercise price over revised exercise price (₹)	Not applicable	
Excess of market price over exercise price/ revised exercise price (₹)	37.35	
Options vested (Nos.)	-	4593000
Outstanding at the beginning of the year (Nos.)	25500	5245500
Granted (Nos.)	-	-
Exercised (Nos.) *	-	4422500
Forfeited/Lapsed and expired (Nos.)	25500	823000
Outstanding at the end of the year (Nos.)	-	-
Exercisable at the end of the year (Nos.)	-	-
Money realised on exercise of Options (₹ in Lacs)	-	2014.29

* Includes 10,000 options which were exercised within 31st March, 2018 against which allotment of equity shares were made during the year ended 31st March, 2019.

Total Number of Options outstanding/exercisable as at 1st April, 2018 relating to 1st, 2nd, 3rd and 4th series is Nil. Therefore, in the above table related information has been excluded under during the year ended 31st March 2019, however, included under cumulative upto 31st March 2019.

Other information:

(a) Total number of equity shares arising as a result of exercise of Options as at 31st March, 2019 : 44,22,500
Options equivalent to 10,000 equity shares were exercised during the year ended 31st March, 2018, however, equity shares against the Options exercised were allotted during the year ended 31st March, 2019.

(b) Details of Options granted to :-

(i) Senior Managerial Personnel: No Options have been granted during the year ended 31st March, 2019;

(ii) Any other employee who receives a grant in any one year of Options amounting to 5% or more of Options granted during year ended 31st March, 2019 : Nil.

4. Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

As at 31st March, 2020: (₹in Lacs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	203.75	8.67	212.42
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	–	–	–
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	1.97	1.30	3.27
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	4.97	0.03	5.00
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year**	4.97	0.03	5.00
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	–	–	–

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24.

** Included in the line item "Others" under Note No. 25.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

As at 31st March, 2019: (₹ in Lacs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	95.43	29.08	124.51
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	0.01	0.01
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	1.19	1.98	3.17
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.97	1.29	3.26
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year**	1.97	1.30	3.27
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	–	–	–

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24.
** Included in the line item "Others" under Note No. 25.

5. During the year ended 31st March, 2020, the Company had undertaken a Buy Back of 84,38,327 equity shares of the Company, through the "Tender Offer" route using the Stock Exchange Mechanism, for an aggregate amount of ₹ 14767.07 Lacs (being 9.82% of the total paid-up equity share capital and free reserves of the Company as on 31st March, 2018), at a price of ₹ 175/- per equity share on a proportionate basis in accordance with the provisions contained in the Companies Act, 2013 (as amended), rules made thereunder, the SEBI (Buy Back of Securities) Regulations, 2018 and other applicable circulars, clarifications and notifications and the settlement in respect of share bought back have been completed on 4th June, 2019. Formalities pertaining to extinguishment of the shares bought back were completed on 10th June,2019.

   Consequent to the said buy-back, the equity share capital has been reduced by ₹84.38 Lacs and an amount equivalent to the face value of the equity shares bought back has been transferred from Securities premium to Capital Redemption Reserve and differential amount of ₹14682.69 Lacs with respect to aggregate consideration in excess of face value of the equity shares bought back has also been adjusted from Securities premium.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

6. Expenditure on Corporate Social Responsibility (CSR) activities :

(a) Details of CSR expenditure: (₹ in Lacs)

Sl. No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
(i)	Gross amount required to be spent by the Company during the year	1092.67	772.16
(ii)	Amount spent during the year :		
	i) Construction/acquisition of any asset		
	- in cash	–	27.75
	- yet to be paid in cash	–	–
	ii) On purposes other than (i) above		
	- in cash	1092.89	265.69
	- yet to be paid in cash	–	–

(b) CSR expenditure under relevant clauses of schedule VII of the Act: (₹ in Lacs)

Sl. No.	Description of CSR activities	Year ended 31st March, 2020	Year ended 31st March, 2019
(i)	Promoting healthcare including preventive healthcare	75.43	34.73
(ii)	Eradicating hunger, poverty and malnutrition and sanitation and making available safe drinking water	490.03	2.55
(iii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects	207.10	191.23
(iv)	Setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	17.42	0.64
(v)	Animal welfare	22.41	0.72
(vi)	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	233.52	40.94
(vii)	Measures for the benefit of armed forces veterans, war widows and their dependents	–	5.00
(viii)	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports	29.15	12.15
(ix)	Rural development projects	3.17	2.43
(x)	Disaster Management	12.80	–
(xi)	Expenditure on administrative overheads	1.86	3.05
		1092.89	**293.44**

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

7. Earnings per share - The numerators and denominators used to calculate Basic / Diluted earnings per share :

Sl. No.	Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
(i)	Amount used as the numerator			
	Profit after Tax (₹ in Lacs)	(A)	50928.18	57063.86
(ii)	Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share *	(B)	221613887	228437725
(iii)	Add: Weighted average number of dilutive potential equity shares account of Employees Stock Option Scheme		–	–
(iv)	Weighted average number of equity shares outstanding used as the denominator for computing Diluted Earnings per share *	(C)	221613887	228437725
(v)	Nominal value of equity shares (₹)		1.00	1.00
(vi)	Basic Earnings per share (₹)	(A/B)	22.98	24.98
(vii)	Diluted Earnings per share (₹)	(A/C)	22.98	24.98

* The weighted average number of shares takes into account the weighted average effect of changes in number of shares due to buy back of shares during the year ended 31st March, 2020 and employee stock options during the year ended 31st March, 2019.

8. The Company is eligible to receive various financial assistance from government authorities. Accordingly, the Company has recognised these government grants in the following manner:

(₹ in Lacs)

Sl. No.	Particulars	Treatment in Accounts	Year ended 31st March, 2020	Year ended 31st March, 2019
(i)	Grants related to Income			
	Revenue related Government Grants:			
(a)	Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme (Refer footnote (i) below)	Deducted from Contribution to provident and other funds under Employee benefits expense	24.93	33.91
(b)	Cane purchase subsidy (Refer footnote (ii) below)	Deducted from cost of materials consumed	–	4930.98
(c)	Cane crush subsidy (Refer footnote (iii) and (iv) below)	Deducted from cost of materials consumed	1901.33	12722.14
(d)	Defraying expenditure towards internal transport, freight, handling and other charges on export (Refer footnote (v) and (vi) below)	(i) Deducted from Miscellaneous expenses under Other Expenses	1.77	4194.75
		(ii) Shown as separate line item "Re-imbursement of transportation expenses for export" under Revenue from operations	90.11	593.88
(e)	Towards marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar (Refer footnote (vii) below)	Shown as separate line item "Export incentive and assistance" under Revenue from Operations	27225.08	–

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(₹ in Lacs)

Sl. No.	Particulars	Treatment in Accounts	Year ended 31st March, 2020	Year ended 31st March, 2019
(f)	Financial support for maintaining buffer stock of sugar inventory (Refer footnote (viii) below)	(i) Shown as separate line item "Insurance and storage charges on buffer stock" under Revenue from Operations	555.70	360.57
		(ii) Deducted from interest expense on short term borrowings	3197.75	2053.01
(g)	Interest on term loans (Refer footnote (ix) (x) (xi) (xii) below)	(i) Deducted from interest expense on long term borrowings	125.98	637.71
	(Refer footnote (ix) below)	(ii) Deducted from interest expense on long term borrowings capitalised	20.47	-
	(Refer footnote (xii) below)	(iii) Deducted from interest expense on short term borrowings	2683.67	29.74
			35826.79	**25556.69**
	Amortization of Government Grants:			
(h)	Government grant relating to interest on term loans (Refer footnote (xiii) below)	Deducted from interest expense on long term borrowings	1190.38	410.41
(i)	Government grant relating to property, plant and equipment	Shown as separate line item "Deferred income" under Other Income	-	14.17
			1190.38	**424.58**
(ii)	**Grants related to Assets**			
	Government grant relating to property, plant and equipment	Adjusted with carrying amount of property, plant and equipment	-	1.83
			-	**1.83**
			37017.17	**25983.10**

Footnotes:

(i) The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme has been designed to incentivise employers for generation of new employment, where Government of India pays the 8.33% Employee Pension Scheme contribution of the employer for the new employment.

(ii) The Government of Uttar Pradesh pursuant to Notification No. 13/2018/1697/46-3-18-3(37)/2018 dated 1st October, 2018 notified a Scheme for assistance to sugar mills @ ₹ 4.50 per quintal of sugarcane purchased during sugar season 2017-18 with a view for timely clearance of sugarcane price and assist the millers from falling sugar and molasses prices. Accordingly, ₹ Nil (Previous Year: ₹ 4930.98 Lacs) was adjusted as reduction from the cost of materials consumed.

(iii) The Central Government pursuant to Notification No. 1(5)/2018-SP-I dated 9th May, 2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) had notified a Scheme for assistance to sugar mills @ ₹ 5.50 per quintal of sugarcane crushed during sugar season 2017-18 with a view of offset cost of sugarcane. Accordingly, ₹ Nil (Previous Year: ₹ 546.89 Lacs) was adjusted as reduction from the cost of materials consumed.

(iv) The Central Government pursuant to Notification No. 1(14)/2018-SP-I dated 5th October, 2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) had notified a Scheme for assistance to sugar mills @ ₹ 13.88 per quintal of sugarcane crushed during sugar season 2018-19 with a view to offset cost of sugarcane. Accordingly, ₹ 1901.33 Lacs (Previous Year: ₹ 12175.25 Lacs) has been adjusted as reduction from the cost of materials consumed.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(v) The Central Government pursuant to Notification No. 1(4)/2018-SP-I dated 28th September 2018 allocated factory-wise Minimum Indicative Export Quota (MIEQ) of 50 Lakh MT for export of sugar in sugar season 2018-19. The Company was allocated MIEQ of 1,80,160 MT as per the said Notification. The Notification required the mills to undertake exports allocated to them under MIEQ or 16.70 kg of sugar per MT of actual cane crushed by them during sugar season 2018-19, whichever is lower.

The Company has physically exported 75.20 MT (Previous Year: 1,66,701.80 MT) of raw /white sugar by way of direct exports and through merchant exporter.

(vi) The Central Government pursuant to Notification No. 1(14)/2018-S.P.-I dated 5th October, 2018 announced the Scheme for defraying expenditure towards internal transport, freight, handling and other charges on export with a view to facilitate export of sugar during sugar season 2018-19. Based on actual expenditure incurred by the Company on physical exports a sum of ₹ 1.77 Lacs (Previous Year : ₹ 4194.75 Lacs) has been deducted from Miscellaneous expenses under Other expenses. Further, a sum of ₹ 90.11 Lacs (Previous Year: ₹ 593.88 Lacs) has been shown under line item "Re-imbursement of transportation expenses for export" under Revenue from operations.

(vii) The Central Government pursuant to Notification No. 1(14)/2019-S.P.-I dated 16th September, 2019 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) allocated factory wise Maximum Admissible Export Quantity (MAEQ) for export of sugar for the sugar season 2019-20. The Company was allocated MAEQ quota of 2,29,225 MT as per the said Notification. Subsequently, pursuant to re-allocation of MAEQ quota of sugar for export during sugar season 2019-20 of non-performing mills vide Notification No. 1(14)/2019-S.P.-I dated 18th February 2020, the Company was allocated additional MAEQ quota of 85,115 MT.

The Company has physically moved for export 2,60,577 MT of raw /white sugar till 31st March 2020 by way of exports through merchant exporter.

The Central Government pursuant to Notification No. 1(14)/2019-S.P.-I dated 12th September, 2019, notifed a Scheme for providing assistance to sugar mills @ ₹ 10,448.00 per MT on export of sugar covering expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar with a view to facilitate export of sugar during sugar season 2019-20 thereby improving the liquidity position of sugar mills enabling them to clear cane price dues of farmers for sugar season 2019-20. Accordingly, ₹ 27225.08 Lacs has been shown under line item "Export Incentive and assistance" under Revenue from operations.

(viii) The Central Government pursuant to Notification No. 1(6)/2018-S.P.-I dated 15th June, 2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) announced a Scheme for Creation and Maintenance of Buffer Stock of 30 Lakh MT of sugar by the sugar mills in the country for one year w.e.f. 1st July, 2018 with a view to improve liquidity of the sugar industry; enabling sugar mills to clear cane price arrears of farmers and to stabilize domestic sugar price. The Company was allocated 1,11,045 MT of buffer stock with respect to its ten sugar mills located in the State of Uttar Pradesh.

Similarly, the Central Government pursuant to Notification No. 1(8)/2019-S.P.-I dated 31st July, 2019 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) announced a Scheme for Creation and Maintenance of Buffer Stock of 40 Lakh MT of sugar by the sugar mills in the country for one year w.e.f. 1st August, 2019 with a view to improve liquidity of the sugar industry; enabling sugar mills to clear cane price arrears of farmers and to stabilize domestic sugar price. The Company was allocated 1,40,801 MT of buffer stock with respect to its ten sugar mills located in the State of Uttar Pradesh.

Accordingly, ₹ 3197.75 Lacs (Previous Year: ₹ 2053.01 Lacs) has been adjusted during the year ended 31st March 2020 as reduction in "Finance cost". Further, storage charges amounting to ₹ 555.70 Lacs (Previous Year: ₹ 360.57 Lacs) shown under line item "Insurance and storage charges on buffer stock" under Revenue from Operations.

(ix) The Central Government vide its Notification No. S.O. 3523 (E) dated 19th July, 2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) notified a scheme namely "Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity" with a view to increase production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programme, and thereby to improve the liquidity position of the sugar mills enabling them to clear cane price arrears of the farmers for which interest subvention @ 6% or 50% of rate of interest charged by banks (whichever is lower) would be borne by the Central Government for a tenure of 5 years from the date of disbursement of the loan.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

Under the said scheme, HDFC Bank and ICICI Bank has disbursed Rupee Loan aggregating to ₹ 8024.00 Lacs and ₹ 5000.00 Lacs respectively, during the year ended 31st March, 2020 which has been utilized for setting up of 160 KLPD distillery at Gularia unit. Accordingly, ₹ 125.98 Lacs (Previous Year: ₹ Nil) has been adjusted with interest on long term borrowings. Further, a sum of ₹ 20.47 Lacs (Previous Year: ₹ Nil) has been adjusted with interest on long term borrowings capitalised.

(x) Pursuant to the Sugar Industry, Cogeneration and Distillery Promotion Policy, 2013 notified by the Government of Uttar Pradesh, the Company was eligible for re-imbursement @ 5% on the interest payable on the loans obtained from bank for setting up of new Co-Generation unit at Kumbhi Unit. Accordingly, ₹ Nil (Previous Year: ₹ 109.17 Lacs) has been adjusted with interest on long term borrowings.

During, the year ended 31st March, 2020, the Company has received ₹ 61.27 Lacs as full and final settlement of total interest subvention claim as against the outstanding claims receivable amounting to ₹ 324.21 Lacs as at 31st March, 2019.

Accordingly, the Company has written off the balance amount of claims receivable aggregating to ₹ 262.94 Lacs (Previous Year: ₹ Nil).

(xi) The Central Government vide its Notification No. 20-90/2013-S.P.-II dated 3rd January, 2014 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) notified a Scheme for extending financial assistance to sugar undertakings ("SEFASU 2014") with a view to improve the liquidity position of sugar factories to clear cane price arrears of previous sugar seasons and timely settlement of cane price of sugar season 2013-14 relating to the Fair and Remunerative Price (FRP), the Company was eligible for interest subvention upto 12% or at actual rate charged by the banks, whichever was lower. Accordingly, ₹ Nil (Previous Year: ₹ 528.54 Lacs) has been adjusted with interest on long term borrowings.

(xii) The Central Government vide its Notification No. 1(4)/2019-S.P.-I dated 2nd March, 2019 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) notified a Scheme for extending soft loan to sugar mills with a view to facilitate payment of cane price dues of farmers for the Sugar Season 2018-19 relating to the Fair and Remunerative (FRP) of sugarcane fixed by the Central Government for which interest subvention @ 7% would be borne by the Central Government for a tenure of 1 year from the date of disbursement of the loan.

Under the said scheme, during the year ended 31st March 2019, HDFC Bank disbursed Rupee Loan aggregating to ₹ 38762.94 Lacs which was utilized for clearance of sugarcane price for sugar season 2018-19 as per the scheme. Accordingly, ₹ 2683.67 Lacs (Previous Year: ₹ 29.74 Lacs) has been adjusted with interest on short term borrowings.

(xiii) The Government of Uttar Pradesh vide its Order No. - 12/2018/1698 / 46-3-18-3 (36-A) / 2018 dated 28th September, 2018 notified a scheme for assistance to sugar mills under the Scheme for Extending Financial Assistance to Sugar Undertakings-2018 ("SEFASU 2018"), for the purpose of clearance of sugarcane price for sugar season 2016-17 and 2017-18 as per the State Advised Price of sugarcane fixed by the State Government.

Under the said scheme, during the year ended 31st March 2019, the State Government extended Rupee term loan to the Company through ICICI Bank @ 5% p.a. interest for a period of 5 years aggregating to ₹ 36508.11 Lacs which was utilized for clearance of sugarcane price for sugar season 2017-18 as per the scheme.

Pursuant to the requirements of Ind AS 20– "Accounting for Government Grants and Disclosure of Government Assistance" and Ind AS 109 – "Financial Instruments", ₹ 4051.19 Lacs was accounted for during the year ended 31st March, 2019 and included under Note No. 20 - "Deferred income". Accordingly, proportionate income amounting to ₹ 1190.38 Lacs (Previous Year: ₹ 410.41 Lacs) has been adjusted with interest on long term borrowings.

9. Employee Benefits :

As per Ind AS - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined Contribution Plan :

Employee benefits in the form of Provident Fund are considered as defined contribution plan.

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

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(₹ in Lacs)

Defined Contribution Plan	Year ended 31st March, 2020	Year ended 31st March, 2019
Employer's Contribution to Provident Fund	1098.49	947.24
Employer's Contribution to Pension Scheme	745.34	713.21

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of continuance service is entitled to the same. The gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits depends on the member's length of service and salary at the time of cessation of the employment contract with the Company. The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for its administration. The Company contributes ascertained liabilities towards gratuity to trust.

The following tables summarizes the components of net benefit expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in the Balance Sheet for the said plan:

(a) Details of funded post retirement plans are as follows : (₹ in Lacs)

Sl. No;.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
I.	Expenses recognised in the Statement of Profit and Loss:		
1	Current service cost	512.32	458.82
2	Net interest on the net defined benefit liability/asset	1.43	(40.17)
3	Expense recognised in the Statement of Profit and Loss	513.75	418.65
II.	Other comprehensive income		
1	Actuarial gain / (loss) arising from:		
	- change in financial assumptions	551.20	(55.04)
	- changes in experience adjustments	322.23	811.61
2	(Returns)/loss on plan assets excluding amounts included in interest income	296.94	33.34
3	Components of defined benefit costs recognised in Other comprehensive income	1170.37	789.91
III.	Change in present value of defined benefit obligation :		
1	Present value of defined benefit obligation at the beginning of the year	6106.16	4912.87
2	Interest expense	445.10	354.35
3	Current service cost	512.32	458.82
4	Benefits paid	499.45	376.45
5	Actuarial gain / (loss) arising from:		
	- changes in financial assumptions	551.20	(55.04)
	- changes in experience adjustments	322.23	811.61
6	Present value of Defined Benefit Obligation at the end of the year	7437.56	6106.16

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(₹ in Lacs)

Sl. No;.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
IV.	**Change in fair value of plan assets during the year :**		
1	Plan assets at the beginning of the year	5968.75	4912.87
2	Interest income	443.67	394.52
3	Employers' contributions	237.41	1071.15
4	Benefits paid	499.45	376.45
5	Re-measurement (Returns on plan assets excluding amounts included in interest income)	296.94	33.34
6	Fair Value of Plan Assets at the end of the year	5853.44	5968.75
V.	**Net Asset / (Liability) recognised in the Balance Sheet as at the year end:**		
1	Present value of Defined Benefit Obligation	7437.56	6106.16
2	Fair value of Plan Assets	5853.44	5968.75
3	Funded Status [Surplus/(Deficit)]	(1584.12)	(137.41)
4	Net Asset / (Liability) recognised in Balance Sheet	(1584.12)	(137.41)
	- Current Liability (Short term)	(1584.12)	(137.41)
	- Non-Current Liability (Long term)	–	–
VI.	**Actuarial Assumptions :**		
1	Discount Rate (per annum) %	6.75%	7.60%
2	Expected return on Plan Assets (per annum) %	6.75%	7.60%
3	Expected Rate of Salary increase %	6.00%	6.00%
4	Retirement/Superannuation Age (Year)	60	60
5	Mortality Rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VII.	**Major Category of Plan Assets as a % of the Total Plan Assets as at the year end :**		
1	Administered by Insurance Companies	99.93%	99.94%
2	Others (Cash and cash equivalents)	0.07%	0.06%
VIII.	**Maturity Profile of Defined Benefit Obligation**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	336.65	371.71
	Between 2 and 5 years	1915.66	1732.22
	Between 5 and 10 years	5605.69	4853.25
	Total expected payments	7858.00	6957.18
	The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	10	9
IX.	**Sensitivity analysis on Present value of Defined Benefit Obligations:**		
	Discount rates		
	0.50% Increase	(4.50)%	(4.00)%
	0.50% Decrease	5.00%	5.00%
	Expected rates of salary increases		
	0.50% Increase	5.00%	5.00%
	0.50% Decrease	(4.50)%	(4.50)%

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

X. The history of funded post retirement plans are as follows : (₹ in Lacs)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Present value of Defined Benefit Obligation	7437.56	6106.16	4912.87	4135.70	3327.08
Fair value of Plan Assets	5853.44	5968.75	4912.87	4135.70	3327.08

(b) Details of unfunded post retirement obligations are as follows: (₹ in Lacs)

Sl. No.	Particulars	Leave Encashment (Unfunded)	
		Year ended 31st March, 2020	Year ended 31st March, 2019
I.	**Components of employer expense :**		
1	Current service cost	41.46	42.73
2	Interest cost	38.58	28.99
3	Actuarial (gain) /loss recognised in the year	153.72	141.11
4	Expense recognised in the Statement of Profit and Loss	233.76	212.83
II.	**Change in present value of obligation :**		
1	Present value of obligation at the beginning of the year	552.48	433.41
2	Interest cost	38.58	28.99
3	Current service cost	41.46	42.73
4	Benefits paid	89.58	93.76
5	Actuarial (gain) /loss recognised in the year	153.72	141.11
6	Present value of obligation at the end of the year	696.66	552.48
III.	**Net Asset / (Liability) recognised in the Balance Sheet as at the year end:**		
1	Present value of defined benefit obligation	696.66	552.48
2	Fair value of plan assets	–	–
3	Funded status [Surplus/(Deficit)]	(696.66)	(552.48)
4	Net Asset / (Liability) recognised in Balance Sheet	(696.66)	(552.48)
IV.	**Actuarial Assumptions :**		
1	Discount Rate (per annum) %	6.75%	7.60%
2	Expected rate of Salary increase %	6.00%	6.00%
3	Retirement/Superannuation Age (Year)	60	60
4	Mortality Rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
V.	**Maturity Profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	25.37	24.93
	Between 2 and 5 years	133.64	90.82
	Between 5 and 10 years	393.64	244.50
	Total expected payments	**552.65**	**360.25**

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(c) Risks related to defined benefit plans:

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

(i) Mortality risk:

The assumptions adopted by the Company make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increases the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.

(ii) Market and liquidity risks:

These are the risks that the investments do not meet the expected returns over the medium to long term. This also encompasses the mismatch between assets and liabilities. In order to minimise the risks, the structure of the portfolios is reviewed and asset-liability matching analysis are performed on a regular basis.

(d) Asset - liability management and funding arrangements

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

(e) Other disclosures :

(i) Following are the assumptions used to determine the benefit obligation:

Discount rate:

The yield of government bonds are considered as the discount rate. The tenure has been considered taking into account the past long term trend of employees' average remaining service life which reflects the average estimated term of the post - employment benefit obligations.

Rate of escalation in salary :

The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Rate of return on plan assets:

Rate of return for the year was the average yield of the portfolio in which Company's plan assets are invested over a tenure equivalent to the entire life of the related obligation.

Attrition rate :

Attrition rate considered is the management's estimate based on the past long- term trend of employee turnover in the Company.

(ii) The Gratuity and Provident Fund expenses have been recognised under " Contribution to provident, gratuity and other funds" and Leave Encashment under Salaries and Wages under Note No. 30 - Employee benefits expense.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

10. Related party disclosures :

(a) Name of the related parties and description of relationship :-

(i)	Associate Companies (Significant influence can be exercised)	:	1. Visual Percept Solar Projects Pvt. Ltd. (VPSPPL) 2. Auxilo Finserve Pvt. Ltd. (AFPL)
(ii)	Key Managerial Personnel (KMP)	:	1. Shri Vivek Saraogi - Managing Director 2. Dr. Arvind Krishna Saxena - Whole-time Director
(iii)	Other related parties: Close members of family of KMP : Shri Vivek Saraogi	:	1. Shri K.N.Saraogi - Father 2.. Smt. Sumedha Saraogi - Wife 3. Late Karan Saraogi - Son (deceased on 20th June 2019) 4. Smt. Avantika Saraogi - Daughter 5. Smt. Stuti Dhanuka - Sister
	Significant influence entities	:	1. Meenakshi Mercantiles Ltd. 2. Udaipur Cotton Mills Co. Ltd. 3. Novel Suppliers Pvt. Ltd. 4. Kamal Nayan Saraogi (HUF) 5. Vivek Saraogi (HUF) 6. The Balrampur Sugar Company Limited Employees Gratuity Fund

(b) Transactions with Related parties : (₹ in Lacs)

	Nature of transaction / Name of the related party	Associates	Significant influence entities	Key Managerial Personnel (KMP)	Close members of family of KMP	Total
(i)	Compensation/Remuneration of KMP					
	Shri Vivek Saraogi	-	-	636.43	-	636.43
		(-)	(-)	(645.30)	(-)	(645.30)
	Dr. Arvind Krishna Saxena	-	-	31.52	-	31.52
		(-)	(-)	(29.02)	(-)	(29.02)
(ii)	Investment in equity shares					
	Auxilo Finserve Pvt. Ltd.	8250.00	-	-	-	8250.00
		(3750.00)	(-)	(-)	(-)	(3750.00)
(iii)	Redemption of Investment in debentures					
	(at amortized cost)					
	Visual Percept Solar Projects Pvt. Ltd.	1646.05	-	-	-	1646.05
		(-)	(-)	(-)	(-)	(-)
(iv)	Interest income (at amortized cost)					
	Visual Percept Solar Projects Pvt. Ltd.	284.93	-	-	-	284.93
		(191.66)	(-)	(-)	(-)	(191.66)

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(₹ in Lacs)

	Nature of transaction / Name of the related party	Associates	Significant influence entities	Key Managerial Personnel (KMP)	Close members of family of KMP	Total
(v)	Recovery towards deputation of employee					
	Visual Percept Solar Projects Pvt. Ltd.	3.95	-	-	-	3.95
		(-)	(-)	(-)	(-)	(-)
(vi)	Contribution to employees defined benefit plan					
	The Balrampur Sugar Company Limited Employees Gratuity Fund	-	1684.12	-	-	1684.12
		(-)	(1208.56)	(-)	(-)	(1208.56)
(vii)	Interim dividend paid to equity shareholders					
	Shri Vivek Saraogi	-	-	861.73	-	861.73
		(-)	(-)	(892.00)	(-)	(892.00)
	Dr. Arvind Krishna Saxena	-	-	0.39	-	0.39
		(-)	(-)	(0.41)	(-)	(0.41)
	Smt. Sumedha Saraogi	-	-	-	633.18	633.18
		(-)	(-)	(-)	(229.15)	(229.15)
	Late Karan Saraogi	-	-	-	-	-
		(-)	(-)	(-)	(426.32)	(426.32)
	Smt. Avantika Saraogi	-	-	-	83.49	83.49
		(-)	(-)	(-)	(86.81)	(86.81)
	Smt. Stuti Dhanuka	-	-	-	112.14	112.14
		(-)	(-)	(-)	(116.46)	(116.46)
	Meenakshi Mercantiles Ltd.	-	169.30	-	-	169.30
		(-)	(175.21)	(-)	(-)	(175.21)
	Udaipur Cotton Mills Co. Ltd.	-	148.55	-	-	148.55
		(-)	(153.73)	(-)	(-)	(153.73)
	Novel Suppliers Pvt. Ltd.	-	70.23	-	-	70.23
		(-)	(72.68)	(-)	(-)	(72.68)
	Kamal Nayan Saraogi (HUF)	-	178.05	-	-	178.05
		(-)	(184.26)	(-)	(-)	(184.26)
	Vivek Saraogi (HUF)	-	3.85	-	-	3.85
		(-)	(3.99)	(-)	(-)	(3.99)

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(₹ in Lacs)

	Nature of transaction / Name of the related party	Associates	Significant influence entities	Key Managerial Personnel (KMP)	Close members of family of KMP	Total
(viii)	**Amount paid upon buyback of Equity shares**					
	Shri Vivek Saraogi	-	-	2118.96	-	2118.96
		(-)	(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena	-	-	1.21	-	1.21
		(-)	(-)	(-)	(-)	(-)
	Smt. Sumedha Saraogi	-	-	-	554.67	554.67
		(-)	(-)	(-)	(-)	(-)
	Late Karan Saraogi	-	-	-	1006.10	1006.10
		(-)	(-)	(-)	(-)	(-)
	Smt. Avantika Saraogi	-	-	-	232.63	232.63
		(-)	(-)	(-)	(-)	(-)
	Smt. Stuti Dhanuka	-	-	-	302.62	302.62
		(-)	(-)	(-)	(-)	(-)
	Meenakshi Mercantiles Ltd.	-	413.48	-	-	413.48
		(-)	(-)	(-)	(-)	(-)
	Udaipur Cotton Mills Co. Ltd.	-	362.80	-	-	362.80
		(-)	(-)	(-)	(-)	(-)
	Novel Suppliers Pvt. Ltd.	-	171.51	-	-	171.51
		(-)	(-)	(-)	(-)	(-)
	Kamal Nayan Saraogi (HUF)	-	434.85	-	-	434.85
		(-)	(-)	(-)	(-)	(-)
	Vivek Saraogi (HUF)	-	9.40	-	-	9.40
		(-)	(-)	(-)	(-)	(-)
(ix)	**Balance Outstanding:**					
	Investment in debentures (at amortized cost)	564.58	-	-	-	564.58
		(2210.63)	(-)	(-)	(-)	(2210.63)
	Remuneration payable	-	-	360.00	-	360.00
		(-)	(-)	(360.00)	(-)	(360.00)
	Contribution to employees defined benefit plan	-	1584.12	-	-	1584.12
		(-)	(137.41)	(-)	(-)	(137.41)

Figures in brackets pertain to previous year

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(c) Details of Remuneration paid/payable to KMP: (₹ in Lacs)

Particulars	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Shri Vivek Saraogi	Dr. Arvind Krishna Saxena	Total	Shri Vivek Saraogi	Dr. Arvind Krishna Saxena	Total
Short-term employee benefits						
- Salary	240.00	25.10	265.10	240.00	23.09	263.09
- Commission	360.00	-	360.00	360.00	-	360.00
- Perquisites	7.63	3.83	11.46	16.50	3.55	20.05
	607.63	**28.93**	**636.56**	**616.50**	**26.64**	**643.14**
Post-employment benefits						
- Contribution to Provident Fund	28.80	2.59	31.39	28.80	2.38	31.18
	636.43	**31.52**	**667.95**	**645.30**	**29.02**	**674.32**

The above remuneration does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.

d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

(e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provision for bad or doubtful debts has been recognised in current year and previous year in respect of the amounts owed by related parties.

(f) The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

11. Revenue

(i) The disclosures pertaining to disaggregation of revenue and performance obligation in terms of Ind AS 115 - Revenue from contracts with customers are as follows:

(a) Sugar

The Sugar segment of the Company principally generates revenue from manufacturing and sale of sugar and its by-products, such as molasses, bagasse, pressmud. Domestic sales of sugar is made on ex-factory terms/agreed terms to wholesale /institutional buyers/ merchant exporters within the country. Domestic sugar sales is majorly done on advance payment terms.

Export sales of sugar to merchant exporters are done on ex-factory /delivered basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyers' specific location (as per agreed terms). The sale price is fixed as per contracted terms and payments terms.

Molasses are sold to customers on ex-factory /delivered basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyer. The sale price is fixed as per contracted terms and payments terms is determined as per Company's credit policy which is up-to 60 days.

Bagasse and pressmud are sold generally on advance payment terms to customers on ex-factory basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyer.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(b) Co-generation

The co-generation segment of the Company principally generates revenue from sale of power to distribution companies.

Power is supplied to distribution companies from the Company's facility in accordance with the sale price, payment terms and other conditions as per the Power Purchase Agreements ("PPA").

(c) Distillery

The distillery segment of the Company principally generates revenue from sale of industrial alcohol which mainly constitutes ethanol sold under contracts with Oil Marketing Companies ("OMCs") and other products to institutional buyers.

For sale of ethanol under contracts with OMCs, sale price is pre-determined based on Expression of Interest ("EOI")/ TENDER floated from OMC's. The prices are on delivered cost basis at OMC's locations inclusive of all duties / levies/ taxes/ charges etc. Payment terms is within 21 days after delivery of material and submission of original invoices.

Other products like Rectified Spirit, ENA, SDS etc. are sold on bulk basis to institutional buyers on Ex-factory/ Delivered cost basis as per agreed terms. Revenue is recognised when goods have been shipped to the buyers' specific location as per agreed terms (as the case may be). The payments terms are fixed as per Company's credit policy which is up-to 45 days.

(d) Others

Other segment principally generates revenue from sale of agricultural fertilizers such as soil conditioner, granulated potash etc.

Agricultural fertilizers such as soil conditioner, granulated potash etc. are sold to customers on ex-factory/ delivered cost basis as per agreed terms. Revenue is recognised when the goods have been shipped to the buyers' specific location as per agreed terms (as the case may be). The payments terms are fixed as per Company's credit policy which is up-to 60 days.

(ii) Disaggregated revenue information have been given along with segment information [Refer Note No. 36(12)(c)].

12. Segment information

(a) The Managing Director has been identified as the Company's chief operating decision-maker (CODM) as defined by Ind AS 108 – Operating Segments. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by Business segments. The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed. No operating segments have been aggregated in arriving at the Business Segment of the Company.

Management has determined the operating segments based on the information reviewed by the CODM for the purpose of allocating resources and assessing performance. The Company has identified three business segments viz. Sugar, Co-generation and Distillery and presented the same in the financial statements on a consistent basis. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as " Unallocable".

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(b) The following is an analysis of revenue and results from operations by reportable segments: (₹ in Lacs)

Particulars	Sugar	Co-generation	Distillery	Others	Unallocable	Adjustments / Elimination	Total
Revenue							
External Sales	373758.86	16473.81	54908.67	1117.17	–	–	446258.51
	(346965.77)	(33104.67)	(46769.84)	(782.78)	(–)	(–)	(427623.06)
Inter Segment Sales	49680.87	28576.09	0.05	47.49	–	(78304.50)	–
	(34238.55)	(28477.86)	(–)	(19.97)	(–)	(–)(62736.38)	(–)
Other operating revenue	27870.89	–	–	–	–	–	27870.89
	(954.45)	(–)	(–)	(–)	(–)	(–)	(954.45)
Revenue from operations	451310.62	45049.90	54908.72	1164.66	–	(78304.50)	474129.40
	(382158.77)	(61582.53)	(46769.84)	(802.75)	(–)	(–)(62736.38)	(428577.51)
Segment profit	34422.17	4754.53	26146.40	518.77	–	–	65841.87
	(16616.65)	(17858.35)	(31652.51)	(284.59)	(–)	(–)	(66412.10)
Unallocable expenditure					4688.50		4688.50
net of unallocable income					(3031.33)		(3031.33)
Interest income							756.50
							(216.01)
Finance costs							6417.02
							(4093.51)
Profit before tax							55492.85
							(59503.27)
Tax							
Current tax							9710.33
							(12847.57)
Deferred tax							(5145.66)
							(–)(10408.16)
Profit after tax							50928.18
							(57063.86)

Footnotes:

(i) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at Company level. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at Company level. Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets.

(ii) Transactions between segments are primarily transferred at cost/market determined prices. Common costs are apportioned on a reasonable basis.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(iii) Uttar Pradesh Electricity Regulatory Commission vide notification dated 25th July, 2019 reduced the power purchase rates of bagasse-based power plants w.e.f. 1st April, 2019 and revenue in this respect has accordingly been recognised at such reduced rates. The Uttar Pradesh Cogen Association has filed a writ petition, challenging the reduction in power rates before Hon'ble High Court at Allahabad which has been admitted and is pending for decision as on this date.

(iv) Figures in brackets pertain to previous year.

(c) In the following table, revenue is disaggregated by geographical market, major products/service lines and timing of revenue recognition which also includes a reconciliation of the disaggregated revenue with the Company's three strategic divisions, which are its reportable segments.

(₹ in Lacs)

Particulars	Sugar		Co-generation Domestic	Distillery Domestic	Total reportable segment	All other Segment	Total
	Domestic	Export					
Geographical markets							
Within India	**318890.46**	–	**16473.81**	**54908.67**	**390272.94**	**1117.17**	**391390.11**
	(311553.05)	(–)	(33104.67)	(46769.84)	(391427.56)	(782.78)	(392210.34)
Within India to merchant exporter	**54868.40**	–	–	–	**54868.40**	–	**54868.40**
	(19243.96)	(–)	(–)	(–)	(19243.96)	(–)	(19243.96)
Within India to Special Economic Zone	–	–	–	–	–	–	–
	(–)	(16168.76)	(–)	(–)	(16168.76)	(–)	(16168.76)
Total	**373758.86**	–	**16473.81**	**54908.67**	**445141.34**	**1117.17**	**446258.51**
	(330797.01)	(16168.76)	(33104.67)	(46769.84)	(426840.28)	(782.78)	(427623.06)
Major product							
Sugar	**333734.50**	–	–	–	**333734.50**	–	**333734.50**
	(305328.14)	(11473.10)	(–)	(–)	(316801.24)	(–)	(316801.24)
Raw Sugar	**31966.97**	–	–	–	**31966.97**		**31966.97**
	(19243.96)	(4695.66)	(–)	(–)	(23939.62)	(–)	(23939.62)
Industrial alcohol	–	–	–	**54530.76**	**54530.76**	–	**54530.76**
	(–)	(–)	(–)	(46324.88)	(46324.88)	(–)	(46324.88)
Power	–	–	**16160.76**	–	**16160.76**	–	**16160.76**
	(–)	(–)	(32801.46)	(–)	(32801.46)	(–)	(32801.46)
Bagasse	**7270.67**	–	–	–	**7270.67**	–	**7270.67**
	(5454.44)	(–)	(–)	(–)	(5454.44)	(–)	(5454.44)
Others	**786.72**	–	**313.05**	**377.91**	**1477.68**	**1117.17**	**2594.85**
	(770.47)	(–)	(303.21)	(444.96)	(1518.64)	(782.78)	(2301.42)
Total	**373758.86**	–	**16473.81**	**54908.67**	**445141.34**	**1117.17**	**446258.51**
	(330797.01)	(16168.76)	(33104.67)	(46769.84)	(426840.28)	(782.78)	(427623.06)

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(₹ in Lacs)

Particulars	Sugar		Co-generation Domestic	Distillery Domestic	Total reportable segment	All other Segment	Total
	Domestic	Export					
Timing of revenue recognition							
Products and services transferred at a point in time	**373758.86**	–	**16473.81**	**54908.67**	**445141.34**	**1117.17**	**446258.51**
	(330797.01)	(16168.76)	(33104.67)	(46769.84)	(426840.28)	(782.78)	(427623.06)
Products and services transferred over time	–	–	–	–	–	–	–
	(–)	(–)	(–)	(–)	(–)	(–)	(–)
	373758.86	–	**16473.81**	**54908.67**	**445141.34**	**1117.17**	**446258.51**
	(330797.01)	(16168.76)	(33104.67)	(46769.84)	(426840.28)	(782.78)	(427623.06)

Figures in brackets pertain to previous year.

(d) Other information

(₹ in Lacs)

Particulars	Sugar	Co-generation	Distillery	Others	Unallocable	Adjustments / Elimination	Total
Segment assets	**325990.96**	**76116.12**	**42621.65**	**1575.10**	**28483.52**	–	**474787.35**
	(337597.83)	(83246.99)	(23116.07)	(1151.31)	(20534.32)	(–)	(465646.52)
Segment liabilities	**81018.70**	**1653.02**	**2279.85**	**171.75**	**152622.87**	–	**237746.19**
	(70989.59)	(1659.94)	(1543.04)	(162.01)	(183022.06)	(–)	(257376.64)
Capital expenditure *	**6251.59**	**8042.10**	**11997.80**	**495.06**	**1045.26**	–	**27831.81**
	(3183.96)	(4797.50)	(2351.10)	(574.26)	(414.02)	(–)	(11320.84)
Depreciation and amortisation	**5015.43**	**3500.25**	**1293.47**	**45.54**	**287.04**	–	**10141.73**
	(4977.45)	(3254.85)	(1064.60)	(16.49)	(271.74)	(–)	(9585.13)
Non cash expenses other than depreciation and amortisation	**68.14**	**431.36**	**10.26**	–	**0.67**	–	**510.43**
	(271.98)	(211.92)	(18.31)	(–)	(9.95)	(–)	(512.16)

*Includes depreciation, interest and other borrowing costs capitalised.

Note: Figures in brackets pertain to previous year.

(e) **Geographical information:**

Refer Note No. 36(12) (c) above for disclosures relating to revenue disaggregated by geographical market.

(f) **Information about major customers:**

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2020 and 31st March, 2019.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

13. The Company has adopted Ind AS 116 'Leases' with effect from 1st April, 2019 and applied the Standard to lease contracts existing on 1st April, 2019 using the modified retrospective method , and therefore, comparatives for the year ended 31st March 2019 have not been restated.

Consequent to this, such assets have been recognised as "Right-of-use" assets and have been amortized over the term of the lease. Further, finance cost in respect of corresponding lease liabilities has been measured and considered in these financial statements.

The Company's lease asset class primarily consist of leases for land. The Company has entered into various agreements in respect of land under lease arrangements. The lease agreements include renewal and escalation clause and do not provide the Company a right to sub-lease. For most of the lease agreements, original lease term is 30 years subject to maximum of 90 years from the date of inception.

The following is the summary of practical expedients elected on initial application:
(i) Applied the practical expedient to the transactions previously identified as leases under Ind AS 17.
(ii) Applied the exemption not to recognize Right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

Pursuant to the said transition, the Company has re-classified its leased assets as Right-of-use ("ROU") assets. Disposals / deductions / adjustments during the year ended 31st March 2020 as shown under Note No. 4 – Property, plant and equipment include reclassification with respect to Right-of-use asset with corresponding increase of such assets being shown under Additions / reclassification during the year.

Depreciation charge for Right-of-use assets is included under depreciation and amortization expense in the Statement of Profit and Loss.
Further, to above, the Company has certain lease arrangement on short term basis, expenditure on which has been recognised under line item "Rent" under Other expenses.

The effect of adoption of Ind AS 116 'Leases' is not material on the profit before tax, profit for the year and earnings per share.

The details of the contractual maturities of lease liabilities as at 31st March, 2020 on an undiscounted basis have been disclosed under Note No. 36(20)(c).

Movement in lease liabilities :

Particulars	(₹ in Lacs)
Balance as at 1st April, 2019	-
Addition to lease liabilities	232.39
Finance cost accrued during the year	16.31
Payment of lease liabilities	8.32
Balance as at 31st March, 2020	240.38
- Non-current	223.75
- Current	16.63

14. Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
The Company has neither given any loan nor has advanced any amount either during the year ended 31st March, 2020 or year ended 31st March, 2019. Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

15. Details of Investments covered under section 186 (4) of the Companies Act, 2013 :
Details of investments made are given under the respective note.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

16. (a) The Hon'ble High Court at Allahabad, Lucknow Bench, vide its order dated 12th February, 2019 ("Order") had quashed the G.O. dated 4th June, 2007, vide which the Sugar Industry Promotion Policy 2004 ("SIPP") was withdrawn, and held that the petitioner companies were entitled for all the benefits for the entire period of the validity of SIPP . Consequent to this, the Company in respect of its capital projects and expansions during the period from 2004 to 2008 is entitled for capital subsidy, reimbursement of certain expenses, remission of certain taxes and levies in accordance with the provision of the said policy.

The State Government of UP and others have filed Special Leave Petitions challenging the said Order before the Hon'ble Supreme Court of India and the cases are pending for hearing as on 31st March, 2020. Pending this, the Company's claim for reimbursement of ₹ 33654.94 Lacs and capital subsidy of ₹ 13137.77 Lacs pursuant to SIPP being contingent in nature, has not been recognised.

(b) In terms of SIPP, the Company availed remission of taxes and levies, namely, Entry Tax on Sugar, Trade Tax on Molasses and Cane Purchase Tax, Stamp duty and registration charges on purchase of land aggregating to ₹ 11278.45 Lacs in earlier years. These remissions were availed pursuant to protection earlier provided by the Hon'ble High Court at Allahabad, which has been confirmed pursuant to the Order of the said court as given in Note No. 36(16)(a) above.

In the assessment of Entry Tax on Sugar and Trade Tax on Molasses relating to four sugar units, namely, Akbarpur, Mankapur, Kumbhi and Gularia aggregating to ₹ 6300.63 Lacs (including ₹ 26.62 Lacs pertaining to the year 2017-18, from April 2017 to June 2017, determined during the year ended 31st March, 2020) has been assessed, though these units are also eligible for the remission under the SIPP. However, no demand has been raised and pursued against the Company in view of the protection by the Hon'ble High Court as aforesaid. Since these units are eligible for incentive under SIPP and no demand has yet been raised against the Company, the aforesaid amount of ₹6300.63 Lacs has not been considered as contingent liability.

17. Impact of COVID-19 Pandemic

During March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organisation. The Covid -19 pandemic and the consequent lockdown restrictions imposed by the Central and State Governments have impacted business in general. However, since, Company is engaged in the manufacturing of sugar, generation of power and production of Ethanol and other Industrial Alcohol, which all fall under the category of essential commodities and thus, the activities of the Company were being carried out in the normal course under the directives issued by the Ministry of Home Affairs and State Government.

Owing to lock-down demand for sugar was impacted to some extent which is gradually coming to its normal level. In the distillery segment, the Oil Marketing Companies had actively re-allocated the quantities to the new depots to arrest the initial impact on the slow lifting of Ethanol.

The Company's capital and financial resources are well placed and have not been impacted because of the Covid-19. The Company has enough liquidity to meet all its obligations/liabilities and does not expect to face any liquidity crunch.

Overall, Company does not foresee any significant impact on the operational results and the financial health as sugar and allied businesses which the Company operates are all essential products and as such demand of the products will return to a large extent as and when the situation normalizes.

18. The Board of Directors of the Company at its meeting held on 15th September, 2017 considered and approved cumulative investment of ₹ 17500.00 Lacs in tranches over a period of five years in Auxilo Finserve Private Limited ("AFPL"), an unlisted NBFC based in India and engaged in financing activities in education sector.

The Company has so far acquired 15,50,00,000 (Previous Year: 7,50,00,000) Equity shares of AFPL having par value ₹ 10 each with total cost of ₹ 15750.00 Lacs (Previous Year: ₹ 7500.00 Lacs) on preferential issue basis constituting 45.05% (Previous Year: 50.00%). Though, it's proportionate shareholding has come down to 45.05% as at 31st March 2020 due to investment made by an external investor, AFPL continues to be an associate of the Company.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

19. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2020 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Carrying and fair value			
			Cost	Amortized cost	FVTOCI	Total
(1)	Financial assets					
(a)	Investments	6	17978.63	564.58	–	18543.21
(b)	Trade and other receivables	7	–	23928.87	–	23928.87
(c)	Cash and cash equivalents	13	–	149.24	–	149.24
(d)	Bank balances other than cash and cash equivalents	14	–	316.34	–	316.34
(e)	Other financial assets	8	–	29989.62	–	29989.62
	Total		17978.63	54948.65	–	72927.28
(2)	Financial liabilities					
(a)	Borrowings	18	–	139895.32	–	139895.32
(b)	Trade and other payables	24	–	67795.18	–	67795.18
(c)	Other financial liabilities	19	–	16583.76	–	16583.76
	Total		–	224274.26	–	224274.26

As at 31st March, 2019 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Carrying and fair value			
			Cost	Amortized cost	FVTOCI	Total
(1)	Financial assets					
(a)	Investments	6	9728.63	2215.47	61.63	12005.73
(b)	Trade and other receivables	7	–	45003.36	–	45003.36
(c)	Cash and cash equivalents	13	–	211.76	–	211.76
(d)	Bank balances other than cash and cash equivalents	14	–	281.08	–	281.08
(e)	Other financial assets	8	–	19277.07	–	19277.07
	Total		9728.63	66988.74	61.63	76779.00
(2)	Financial liabilities					
(a)	Borrowings	18	–	167390.76	–	167390.76
(b)	Trade and other payables	24	–	61850.39	–	61850.39
(c)	Other financial liabilities	19	–	11974.03	–	11974.03
	Total		–	241215.18	–	241215.18

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

(i) Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

(ii) The carrying value of debentures approximate their fair value as the instruments are at prevailing market rate.

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:

Financial assets (At FVTOCI) measured at fair value on a recurring basis (₹ in Lacs)

Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
Investments in equity instruments	6	–	–	–	–
		(–)	(–)	(61.63)	(61.63)

Note:

(i) Figures in brackets pertain to previous year.

(ii) There have been no transfers between Level 1 and Level 2 either during the year ended 31st March, 2020 or year ended 31st March, 2019.

Description of significant unobservable inputs to valuation :

The following table shows the valuation technique and inputs for financial instruments:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investments in unquoted equity shares	Adjusted net asset method	

Reconciliation of opening and closing balances for Level 3 fair value: (₹ in Lacs)

Particulars	Investments in unquoted equity shares
Balance as at 1st April, 2019	**61.63**
De-recognised during the year	61.63
Balance as at 31st March, 2020	**–**
Balance as at 1st April, 2018	**56.09**
Net re-measurement gain recognised and deferred during the year	5.54
Balance as at 31st March, 2019	**61.63**

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

20. Financial risk management objectives and policies

The Company's principal financial liabilities includes borrowings, trade payables and other financial liabilities and principal financial assets include trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management under the supervision of Board of Directors oversees the management of these risks. The policies framed with respect to risks summarised below provides assurance that the Company's financial risks are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations.

Sugar is produced over a period of 4 to 5 months and is required to be stored for sale over a period of 12 months, thereby resulting in very high requirement of working capital. Cost of funding depends on the overall fiscal environment in the country as well as the Company's credit worthiness /credit ratings. Failure to maintain credit rating can adversely affect the cost of funds.

To mitigate the interest rate risk, the Company maintains an impeccable track record and ensures long term relation with the lenders to raise adequate funds at competitive rates. Company has access to low cost borrowings because of its healthy Balance Sheet. Moreover, Company deals with five banks thereby reduces risk significantly. In addition, steady revenue from co-generation and distillery business reduces the overall requirement of working capital.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. To mitigate foreign exchange risk, the Company covers its position through permitted hedging methods.

Foreign currency exposure : (US $ in Lacs)

Particulars	Hedged	Unhedged	Total
Foreign currency receivables			
Export related trade receivables	–	–	–
	(228.41)	(2.66)	(231.07)
Total	–	–	–
	(228.41)	(2.66)	(231.07)
Foreign currency payables			
Borrowings - Current	–	–	–
	(228.41)	(–)	(228.41)
Interest accrued but not due on borrowings	–	–	–
	(–)	(0.19)	(0.19)
Total	–	–	–
	(228.41)	(0.19)	(228.60)

Figures in brackets pertain to previous year.

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(iii) Commodity price risk

The major segment in which the Company operates, which accounts for around 80% of the Company's revenues, is Sugar and as such the Company is exposed to commodity price risk. Normally, Company does not physically export sugar unless it is mandated by the Government and duly supported by export subsidy. In that case, the Company has a policy in place to hedge the export underlying exposure. For domestic sales, under the current regime, sales quotas are announced by the Government on monthly basis.

Further, there are not many active platforms in India that allow hedging of domestic sugar sales. In addition to the above, the Central Government had announced Minimum Sale Price (MSP) for sale of sugar in the open market by every sugar mill. Such MSP, currently at ₹ 31/- per kilogram acts as a minimum floor price for the sale of sugar by the sugar mills in India. The pricing methodology for ethanol also remained unchanged. Ethanol prices are announced annually by the Central Government based on a formula, which considers the price of sugar and FRP of sugarcane to calculate the ethanol procurement prices. The ethanol prices are delinked with the crude or petrol prices. Thus, there is no price risk in case of ethanol and accordingly it does not require any hedging.

(iv) Other price risk

Company's equity risk exposure is limited to cost and these are subject to impairment testing as per the policies followed in this respect. Accordingly, other price risk is not expected to be material.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are mostly on cash. Power and ethanol are sold to government entities, thereby the credit default risk is significantly mitigated.

The Company uses judgement in making these assumptions and selecting the inputs for assessing the impairment calculation, based on the Company's past history, existing market conditions as well as future estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss.

(i) Trade receivables

Trade receivables are non-interest bearing; Refer Note No. 36(11) for credit terms.

Trade receivables includes ₹ Nil (Previous Year: ₹ 15878.23 Lacs) backed by letter of credit as referred in Note No. 7(ii) discounted / negotiated with banks on recourse basis and thereby the credit risk was retained by the Company and receivables were not de-recognized in the financial statements.

An impairment analysis is performed at each balance sheet date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets disclosed under Note No. 7.

The ageing analysis of the receivables has been considered from the date the invoice falls due: (₹ in Lacs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Upto 6 months	16508.49	40018.49
6 to 12 months	7420.38	4959.94
More than 12 months	97.63	104.20
	24026.50	**45082.63**
Including trade receivables discounted / negotiated with banks	–	11335.26

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

The following table summarizes the change in the loss allowances measured using life time expected credit loss model for trade receivables:

Particulars	(₹ in Lacs)
Balance as at 1st April, 2019	97.63
Provided during the year	–
Reversed during the year	–
Balance as at 31st March, 2020	97.63
Balance as at 1st April, 2018	97.63
Provided during the year	–
Reversed during the year	–
Balance as at 31st March, 2019	97.63
No changes in estimation were made during the reported period.	

(ii) Balances with banks

Credit risk for balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31st March, 2020 and 31st March, 2019 is the carrying amounts as stated under Note No. 13 and 14.

(c) Liquidity risk

The Company's objective is to meet the funding requirement and maintain flexibility in this respect through the use of cash credit facilities, short term loans and commercial papers.

The table below summarises the maturity profile of Company's financial liabilities : (₹ in Lacs)

Sl. No.	Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
A.	As at 31st March, 2020				
(i)	Borrowings (excluding current maturities of long - term debt)				
	Non-current				
	Term loans	–	33802.37	–	33802.37
	Long term maturities of lease obligation		66.53	157.22	223.75
	Current				
	Loans repayable on demand	105869.20	–	–	105869.20
		105869.20	33868.90	157.22	139895.32
(ii)	Trade and other payables	67795.18	–	–	67795.18
(iii)	Other financial liabilities	16583.76	–	–	16583.76
	Total	190248.14	33868.90	157.22	224274.26

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(₹ in Lacs)

Sl. No.	Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
B.	**As at 31st March, 2019**				
(i)	Borrowings (excluding current maturities of long - term debt)				
	Non-current				
	Term loans	–	26099.11	1825.41	27924.52
	Current				
	Loans repayable on demand	89368.04	–	–	89368.04
	Other loans	50098.20	–	–	50098.20
		139466.24	**26099.11**	**1825.41**	**167390.76**
(ii)	Trade and other payables	61850.39	–	–	61850.39
(iii)	Other financial liabilities	11820.94	153.09	–	11974.03
	Total	**213137.57**	**26252.20**	**1825.41**	**241215.18**

21. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective while managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in the light of changes in the financial condition and the requirements of the financial covenants and return of capital to shareholders.

In order to achieve this overall objective, the Company's capital management, amongst other things, also aim to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2020 and 31st March, 2019.

The Company monitors capital using debt-equity ratio, which is total long-term debt divided by total equity

(₹ in Lacs, unless stated otherwise)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total long-term debt (including current maturities)	44829.68	37574.92
Total equity	237041.16	208269.88
Debt to equity ratio	0.19	0.18

Notes forming part of the Standalone Financial Statements

Note No. : 36 Other disclosures *(contd.)*

(b) Dividend

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Year to which interim dividend relates	2019-20	2018-19
Interim dividend paid per equity share (₹)	2.50	2.50
Gross amount of Interim dividend (₹ in Lacs)	5500.00	5710.96
Dividend distribution tax on above (₹ in Lacs)	1130.54	1173.90

22. The previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with those of the current year's figures.

As per our report of even date attached.

For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/-	sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 052438			DIN - 00846939	DIN - 00221419
Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

Date: 23rd June, 2020

Independent Auditors' Report

To the Members of
Balrampur Chini Mills Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **Balrampur Chini Mills Limited** ("the Company") and share of profit/loss of associates, which comprise the Consolidated Balance Sheet as at 31st March, 2020, and the Consolidated Statement of Profit and Loss(including other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us based on the consideration of reports of other auditors on separate financial statements, and on the other financial information of the associates, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 (" the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Company including it's associates, as at 31st March, 2020, and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and the consolidated changes in equity for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and it's associates 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 consolidated financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
1.	**Valuation and determination of Inventory** As on 31st March, 2020, the Company has inventory of sugar with the carrying value of ₹ 198648.63 Lacs which forms major part of the total assets of the Company. The inventory of sugar is valued at the lower of cost and net realizable value. The Physical Verification of inventory could not be observed by us due to lock down restrictions at the year end. Determination of net realizable value involves judgements and assumptions with respect to regulatory directives and notifications dealing with quantity and price of sugar to be sold and also the stock to be maintained by the Company.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the inventory include the following** • Understanding and testing the design and operating effectiveness of controls as established by the management for valuation of inventory of sugar. • Obtaining an understanding of the determination of the net realizable value and assessing, testing and evaluating the reasonableness keeping in view the significant judgements applied by the management for such valuation. • The above includes evaluation of the selling price prevailing around and subsequent to the year end and regulatory directives issued and compliances thereof by the management and rationale for assumptions in the given situation and business environment. • The company has procedure of physical verification of inventories at regular interval. Physical verification of finished goods, by- products across all units were carried out during the period from 10th June, 2020 to 16th June 2020 in presence of independent firms of Chartered Accountants who have been entrusted with the responsibilities of observing and participation in such verification. We observed such verification through video call and obtained video recording and display materials available in this respect. • We have reviewed the credentials, technical and other expertise of the professional firms deployed for carrying out and observing the verification; • We reviewed the report submitted by chartered accountant firms and obtained reasons/explanation for variations observed by them with respect to the book stock;

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
		• We have applied alternative methods of verification for arriving at Inventories as at the year-end by applying roll back procedure and carrying out relevant adjustments for receipts and issues. Materiality for variations, discrepancies were duly analyzed and identified with respect to subsequent movements and discrepancies and adjustments observed pursuant to last such verification carried out by the management. • We have verified the adjustments made for receipt and consumption to arrive at the physical stock as on 31st March, 2020. • While necessary review and other corroborative evidences were obtained and verified, reliance has been placed on professional expert's report and conclusions drawn by them on the matter.
2.	**Recognition of Deferred tax assets and liabilities** Deferred tax assets pertaining to MAT Credit entitlement amounting to ₹19187.71 Lacs recognised in earlier year has been continued in this year. Further, the Company has decided to opt for concessional rate of tax as provided under section 115BAA of Income Tax Act 1961 in year when MAT credit entitlement is substantially exhausted and eligibility for certain tax deductions as available to the Company is expired. Thereby deferred tax liability has been re-measured and resultant differential of ₹7522.77 Lacs has been written back in this year. Recognition of deferred tax assets and liabilities is based on expected utilization and / or reversal thereof considering the management's projection of future taxable income of the company. This involves estimation of future operations and profitability based on assumptions and anticipations which may be in variance with the actual happening.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the recognition of deferred tax asset include the following** • We critically examined the temporary differences between the carrying amounts for Ind AS financial statement and tax purposes; • Evaluation of the temporary differences and utilization and reversal of deferred tax assets and liabilities on the basis of internal forecasts by the management and resultant impact on future taxable income of the Company. • The above includes critical review of underlying assumptions for consistency and arriving at reasonable level of probability of achieving them with due regard to the current prevailing situation, past results and performances, as required in terms of Ind AS 12 Income Taxes and principles in this regard.
3.	**Government grants and assistances** During the year, the Company has recognized financial assistance including those granted against exports aggregating to ₹35826.79 Lacs out of which ₹29597.40 Lacs is outstanding as receivable as at 31st March 2020. The various schemes have been notified by central and state government to assist sugar mills so that to protect the interest of the farmers in terms of the price and the release of payment against the sugarcane supplied by them. This has been considered to be a matter of significance considering the nature and type of industry in which the company is operating and related compliance requirements of the schemes and appropriateness of timing of recognition of such grants.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of recognition of various government grants include the following** • Understanding and testing the design and operating effectiveness of controls as established by the management for recognition and assessment of recoverability of the claims for government grants. • Evaluating the management's assessment for reasonable certainty of the claim and recognition thereof on matching principle of accounting taking into account the related compliances and conditions for meeting the eligibility criteria as embodied in the various schemes issued by the regulators. • Review of each notification for ascertaining the performance obligations concerning grant and arriving at timing of recognition and appropriateness for measurement thereof.

Information Other than the Consolidated Financial Statements and Auditors' Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include Consolidated financial statements and our auditors' report thereon.
- Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report with respect to the above.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the state of affairs (consolidated financial position), Profit or Loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Company including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

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

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

Those Board of Directors are also responsible for overseeing the financial reporting process of the Company including it's associates.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, We are also responsible for expressing our opinion on whether the Company including it's associates has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability including its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company including it's associates to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the Company including its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

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

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

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

Other Matter

We did not audit the financial statements of the two associate companies, Visual Percept Solar Projects Private Limited and Auxilo Finserve Private Limited included in the consolidated financial statements for the year ended 31st March, 2020 which includes Company's share of net profit of ₹598.80 Lacs, other comprehensive income of ₹ (0.74) Lacs and total comprehensive income of ₹ 598.06 Lacs. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associates, and our report in terms of sub-section (3) and sub section (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the report of other auditors.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act ,we report that to the extent applicable ,that:
2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the report of other statutory auditors of its associate companies, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls with reference to financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A" which is based on the audited report of the Company audited by us and two associates audited by other auditors. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of

the internal control with reference to financial statements of the Company and its associates incorporated in India; and

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company and it's associates has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 37(1) to the consolidated financial statements;
   ii. The Company and its associates did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its associates.
4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, In our opinion and according to the information and explanations given to us, the remuneration (including sitting fees) paid by the Company and its associates to its Directors during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For **Lodha & Co,**
Chartered Accountants
Firm's ICAI Registration No.:301051E

sd/-
R. P. Singh
Partner
Membership No: 052438
UDIN :20052438AAAABB7864

Place of Signature: Kolkata
Date: 23rd June, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company and it's associates as of and for the year ended 31st March, 2020, we have audited the internal financial controls with reference to financial reporting of **Balrampur Chini Mills Limited** (hereinafter referred to as "the Company") and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its associate companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 with reference to financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 and the audit evidence obtained by the other auditors of the associate companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial reporting.

Meaning of Internal Financial Controls with reference to Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Reporting

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

Opinion

In our opinion, the Company, its associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to two associates, which are companies incorporated in India, is based on the corresponding standalone reports of the auditors', as applicable, of such companies incorporated in India.

For **Lodha & Co**
Chartered Accountants
Firm's ICAI Registration No.:301051E

sd/-
R. P. Singh
Partner
Membership No: 052438
UDIN :20052438AAAABB7864

Place of signature : Kolkata

Date: 23rd June, 2020

Consolidated Balance Sheet as at 31st March, 2020

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2020		As at 31st March, 2019	
ASSETS					
Non - current assets					
(a) Property, plant and equipment	4	162315.67		142001.99	
(b) Capital work-in-progress	4A	1239.64		4582.51	
(c) Intangible assets	5	88.93		153.76	
(d) Financial assets					
(i) Investments					
Investment in associates accounted for using the equity method	6	23873.85		14311.63	
Other Investments	7(i)	–		2264.53	
(ii) Trade and other receivables	8(i)	–		–	
(iii) Other financial assets	9(i)	204.13		145.51	
(e) Non-current tax assets (net)	10	840.27		5253.92	
(f) Other non-current assets	11	483.54	189046.03	3198.32	171912.17
Current assets					
(a) Inventories	12	229497.13		231589.08	
(b) Biological assets	13	12.50		17.49	
(c) Financial assets					
(i) Investments					
Other Investments	7(ii)	564.58		–	
(ii) Trade and other receivables	8(ii)	23928.87		45003.36	
(iii) Cash and cash equivalents	14	149.24		211.76	
(iv) Bank balances other than cash and cash equivalents	15	316.34		281.08	
(v) Other financial assets	9(ii)	29785.49		19131.56	
(d) Other current assets	16	7382.39	291636.54	2070.45	298304.78
Total Assets			**480682.57**		**470216.95**
EQUITY AND LIABILITIES					
Equity					
(a) Share capital	17	2200.00		2284.38	
(b) Other equity	18	239369.47		209494.72	
Equity attributable to equity shareholders of the parent		241569.47		211779.10	
Non-controlling interests		–	241569.47	–	211779.10
Liabilities					
Non - current liabilities					
(a) Financial liabilities					
(i) Borrowings	19(i)	34026.12		27924.52	
(ii) Other financial liabilities	20(i)	–		153.09	
(b) Deferred income	21	1467.81		2450.40	
(c) Provisions	22(i)	672.10		528.45	
(d) Deferred tax liabilities (net)	23	3781.26		8892.72	
(e) Other non-current liabilities	24	–	39947.29	35.93	39985.11
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	19(ii)	105869.20		139466.24	
(ii) Trade and other payables	25				
(a) Trade Payables					
Total outstanding dues of micro enterprises and small enterprises		203.75		95.43	
Total outstanding dues of creditors other than micro enterprises and small enterprises		66790.75		60529.44	
(b) Other Payables					
Total outstanding dues of micro enterprises and small enterprises		8.67		29.08	
Total outstanding dues of creditors other than micro enterprises and small enterprises		792.01		1196.44	
(iii) Other financial liabilities	20(ii)	16583.76		11820.94	
(b) Deferred income	21	982.59		1190.38	
(c) Other current liabilities	26	5911.71		3552.41	
(d) Provisions	22(ii)	2023.37	199165.81	572.38	218452.74
Total Equity and Liabilities			**480682.57**		**470216.95**
Corporate information	1				
Significant accounting policies and the accompanying notes 2 to 37 are an integral part of the consolidated financial statements.					

As per our report of even date attached.

For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/	sd/-
R. P. Singh Partner Membership No. 052438	**Manoj Agarwal** Company Secretary	**Pramod Patwari** Chief Financial Officer	**Dr. Arvind Krishna Saxena** Whole-time Director DIN - 00846939	**Vivek Saraogi** Managing Director DIN - 00221419
Place of Signature: Kolkata Date: 23rd June, 2020	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

(₹ in Lacs)

Particulars	Note No.	Year ended 31st March, 2020	Year ended 31st March, 2019
Revenue from operations	27	474129.40	428577.51
Other income	28	4387.18	4274.50
Total income		**478516.58**	**432852.01**
Expenses:			
Cost of materials consumed	29	346415.81	359540.70
Changes in inventories of finished goods, by-products and work-in-progress	30	3733.54	(53836.44)
Employee benefits expense	31	25399.61	23045.79
Finance costs	32	6417.02	4093.51
Depreciation and amortisation expense	33	10141.73	9585.13
Other expenses	34	30383.51	30920.05
Total expenses		**422491.22**	**373348.74**
Profit before share of profit of associates and tax		**56025.36**	**59503.27**
Share of profit of associates		780.67	675.48
Profit before tax		**56806.03**	**60178.75**
Tax expense	35		
Current tax		9710.33	12847.57
Deferred tax		(4839.74)	(10250.80)
Total tax expenses		**4870.59**	**2596.77**
Profit for the year		**51935.44**	**57581.98**
Other comprehensive income	36		
Items that will not be reclassified to profit or loss		(1098.76)	(790.47)
Income tax relating to items that will not be reclassified to profit or loss		409.20	276.16
Total other comprehensive income		**(689.56)**	**(514.31)**
Total comprehensive income for the year		**51245.88**	**57067.67**
(Comprising of profit and other comprehensive income for the year)			
Profit for the year attributable to :-			
a) Owners of the parent		51935.44	57581.98
b) Non-controlling interests		-	-
		51935.44	**57581.98**
Other comprehensive income attributable to :-			
a) Owners of the parent		(689.56)	(514.31)
b) Non-controlling interests		-	-
		(689.56)	**(514.31)**
Total comprehensive income attributable to :-			
a) Owners of the parent		51245.88	57067.67
b) Non-controlling interests		-	-
		51245.88	**57067.67**
Earnings per equity share of ₹ 1/- each	37(7)		
- Basic (₹)		23.44	25.21
- Diluted (₹)		23.44	25.21
Weighted average number of shares used in computing earnings per share			
- Basic		221613887	228437725
- Diluted		221613887	228437725
Corporate information	1		
Significant accounting policies and the accompanying notes 2 to 37 are an integral part of the consolidated financial statements.			

As per our report of even date attached.

For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/	sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	Company Secretary	Chief Financial Officer	Whole-time Director	Managing Director
Membership No. 052438			DIN - 00846939	DIN - 00221419
Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

Date: 23rd June, 2020

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

(a) Equity share capital

For the year ended 31st March, 2020 (₹ in Lacs)

Balance as at 1st April, 2019	Changes in equity share capital during the year [Refer Note No. 17(c)]	Balance as at 31st March, 2020
2284.38	(84.38)	2200.00

For the year ended 31st March, 2019 (₹ in Lacs)

Balance as at 1st April, 2018	Changes in equity share capital during the year [Refer Note No. 17(c)]	Balance as at 31st March, 2019
2284.28	0.10	2284.38

(b) Other equity (₹ in Lacs)

	Reserves and surplus						Other comprehensive income		Total other equity
	Capital reserve	Securities premium	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	Gain on equity instruments	
Balance as at 1st April, 2019	**3184.58**	**24587.05**	**2820.10**	**39.85**	**90000.00**	**88863.14**	**–**	**–**	**209494.72**
Changes in equity during the year ended 31st March, 2020									
Profit for the year	–	–	–	–	–	51935.44	–	–	51935.44
Other comprehensive income for the year	–	–	–	–	–	–	(751.64)	62.08	(689.56)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**51935.44**	**(751.64)**	**62.08**	**51245.88**
Transfer on account of buy-back of equity shares [Refer Note No. 37(5)]	–	(84.38)	84.38	–	–	–	–	–	–
Utilized on account of buy-back of equity shares [Refer Note No. 37(5)]	–	(14682.69)	–	–	–	–	–	–	(14682.69)
Buy back expenses (net of tax ₹56.53 lacs)	–	–	–	–	–	(105.24)	–	–	(105.24)
Storage fund for molasses created during the year [Refer Note No. 18(vi)]	–	–	–	47.34	–	–	–	–	47.34
Transfer (to)/from retained earnings	–	–	–	–	20000.00	(20689.56)	751.64	(62.08)	–
Interim dividend [Refer Note No. 37(21) (b)]	–	–	–	–	–	(5500.00)	–	–	(5500.00)
Dividend distribution tax on interim dividend [Refer Note No. 37(21)(b)]	–	–	–	–	–	(1130.54)	–		(1130.54)
Balance as at 31st March, 2020	**3184.58**	**9819.98**	**2904.48**	**87.19**	**110000.00**	**113373.24**	**–**	**–**	**239369.47**

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020 (contd.)

(b) Other equity *(Contd.)*

(₹ in Lacs)

	Share application money pending allotment	Reserves and surplus							Other comprehensive income	Total other equity
		Capital reserve	Securities premium	Capital redemption reserve	Share options outstanding account	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Balance as at 1st April, 2018 as previously reported	**4.50**	**3184.58**	**24578.91**	**2820.10**	**13.23**	**139.94**	**64977.91**	**63702.81**	**–**	**159421.98**
Impact of change in accounting policy relating to accounting of Government Grant	–	–	–	–	–	–	–	(0.39)	–	(0.39)
Restated Balance as at 1st April, 2018	**4.50**	**3184.58**	**24578.91**	**2820.10**	**13.23**	**139.94**	**64977.91**	**63702.42**	**–**	**159421.59**
Changes in equity during the year ended 31st March, 2019										
Profit for the year	–	–	–	–	–	–	–	57581.98	–	57581.98
Other comprehensive income for the year	–	–	–	–	–	–	–	–	(514.31)	(514.31)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**57581.98**	**(514.31)**	**57067.67**
Share application money pending allotment	(4.50)	-	8.14	-	(3.74)	–	–	–	–	(0.10)
Forfeiture of stock options [Refer Note No. 37(3)]	–	–	–	–	(9.49)	–	–	–	–	(9.49)
Storage fund for molasses created during the year [Refer Note No. 18(vi)]	–	–	–	–	–	39.08	–	–	–	39.08
Storage fund for molasses written back during the year [Refer Note No. 18(vi)]	–	–	–	–	–	(139.17)	–	–	–	(139.17)
Transfer (to)/from retained earnings	–	–	–	–	–	–	25022.09	(25536.40)	514.31	–
Interim dividend [Refer Note No. 37(21)(b)]	–	–	–	–	–	–	–	(5710.96)	–	(5710.96)
Dividend distribution tax on interim dividend [Refer Note No. 37(21)(b)]	–	–	–	–	–	–	–	(1173.90)	–	(1173.90)
Balance as at 31st March, 2019	**–**	**3184.58**	**24587.05**	**2820.10**	**–**	**39.85**	**90000.00**	**88863.14**	**–**	**209494.72**

Significant accounting policies and the accompanying notes 2 to 37 are an integral part of the Consolidated financial statements.

Description of purposes of each reserve have been disclosed in Note No. 18.

As per our report of even date attached.
For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No. 052438

sd/-
Manoj Agarwal
Company Secretary

sd/-
Pramod Patwari
Chief Financial Officer

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

sd/-
Vivek Saraogi
Managing Director
DIN - 00221419

Place of Signature: Kolkata
Date: 23rd June, 2020

Place of Signature: Kolkata

Place of Signature: Kolkata

Place of Signature: Balrampur

Place of Signature: Kolkata

Consolidated Cash Flow Statement for the year ended 31st March, 2020

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit before share of profit of associates and tax		**56025.36**		**59503.27**
Adjustments to reconcile profit before share of profit of associates and tax to net cash flow provided by operating activities:				
Finance costs	6417.02		4093.51	
Depreciation and amortisation expense	10141.73		9585.13	
(Profit)/loss on sale/discard of property, plant and equipment (net)	(476.28)		201.24	
Sundry debit balances/advances written off	196.59		63.74	
Claims receivable written off	262.94		–	
Provision for obsolescence /non–moving store and spares	3.56		97.36	
Transfer to storage fund for molasses	47.34		39.08	
Fair value gain on derivatives	–		(767.91)	
Interest income on financial assets	(300.39)		(200.24)	
Gain on deemed disposal of investment in associate	(532.51)		–	
Unspent liabilities/balances written back	(713.73)		(805.87)	
Provision for contingencies written back	–		(0.21)	
Provision for doubtful advances written back	(6.00)		–	
Amortized portion of deferred income	–		(14.17)	
Storage fund for molasses written back	–		(139.17)	
Expense on employee stock option scheme	–		(9.49)	
Unrealised exchange rate fluctuation loss	–	15040.27	98.39	12241.39
Operating profit before working capital changes		**71065.63**		**71744.66**
Adjustments to reconcile operating profit to cash flow provided by changes in working capital :				
Decrease/(increase) in inventories	2088.39		(51466.37)	
Decrease/(increase) in biological assets	4.99		(5.89)	
Decrease/(increase) in trade and other receivables	21074.49		(27072.58)	
Decrease in loans	–		13.28	
(Increase) in other current /non–current financial assets	(10943.74)		(13966.29)	
(Increase) in other current /non–current assets	(542.22)		(309.32)	
Withdrawal from escrow account for cane price payment/buy–back	28.96		259.86	
Increase/(decrease) in trade and other payables	6548.90		(16585.36)	
Increase in other current /non–current financial liabilities	2240.70		12.79	
Increase /(decrease) in other current /non–current liabilities	2893.76		(1200.28)	
Increase/(decrease) in provision for employee benefits	424.27	23818.50	(492.91)	(110813.07)
Cash generated from /(used in) operations		**94884.13**		**(39068.41)**
Tax expense		(9923.14)		(13232.58)
Net cash generated from / (used in) operating activities (A)		**84960.99**		**(52300.99)**
B CASH FLOW FROM INVESTING ACTIVITIES				
Additions to property, plant & equipment and intangibles assets	(25437.91)		(13058.86)	
Government grant for purchase of property, plant & equipment	–		1.83	
Sale of property, plant & equipment	1248.21		485.24	
Purchase of shares of associate	(8250.00)		(3750.00)	
Redemption of debentures	1366.87		–	
Sale of shares of other company	85.00		–	
Proceeds from maturity of national savings certificates	4.84		2.65	
Fixed deposits placed with banks	(114.19)		(80.56)	
Fixed deposits redeemed from banks	43.22		202.89	
Interest received on debentures/fixed deposits and NSC	582.67		276.84	
Net cash used in investing activities (B)		**(30471.29)**		**(15919.97)**

Consolidated Cash Flow Statement for the year ended 31st March, 2020 *(contd.)*

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
C CASH FLOW FROM FINANCING ACTIVITIES				
Payment towards buy–back of shares	(14767.07)		–	
Buy back expenses	(161.77)		–	
Proceeds from long–term borrowings	13024.00		36508.11	
Repayment of long–term borrowings	(6009.62)		(11363.73)	
(Repayment) /proceeds of other short–term borrowings (net)	(33597.04)		53874.13	
Interest expense	(6373.06)		(3898.82)	
Other borrowing costs	(37.12)		(47.26)	
Interim dividend paid	(5500.00)		(5710.96)	
Dividend distribution tax paid	(1130.54)		(1173.90)	
Net cash (used in) / generated from financing activities (C)		**(54552.22)**		**68187.57**
Net (decrease) in cash and cash equivalents (A+B+C)		**(62.52)**		**(33.39)**
Opening cash and cash equivalents		211.76		245.15
Closing cash and cash equivalents for the purpose of Consolidated Cash Flow Statement		**149.24**		**211.76**

Notes :

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS) 7 on Statement of Cash Flows.
2) Interest expense is inclusive of, and additions to property, plant and equipment and intangible assets are exclusive of, interest capitalised ₹ 20.47 lacs (Previous year: ₹ 26.82 lacs).
3) Additions to fixed assets include movement of Capital work-in-progress and capital advance during the year.
4) Proceeds/(repayment) of/from Commercial paper and other Short-term borrowings have been disclosed on net basis.
5) Cash and cash equivalents do not include any amount which is not available to the Company for its use.
6) Company has incurred ₹1092.89 lacs in cash on account of Corporate Social Responsibility (CSR) expenditure during the year ended 31st March, 2020 (Previous year: ₹293.44 lacs).
7) **Cash and cash equivalents as at the Balance Sheet date consists of:**

(₹ in Lacs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Balance with banks on current accounts	46.72	179.04
b) Cheques on hand	–	0.53
c) Cash on hand	102.52	32.19
Closing cash and cash equivalents (Refer Note No. 14)	**149.24**	**211.76**

8) **Change in Company's liabilities arising from financing activities:**

(₹ in Lacs)

Particulars	As at 31st March, 2019	Cash flows*	Non-Cash Flows^	As at 31st March, 2020
a) Long term borrowings [Refer Note No. 19 (i)]	27924.52	13024.00	(6922.40)	34026.12
b) Current maturities of long term debt and lease obligation [Refer Note No. 20 (ii)]	6009.62	(6009.62)	8353.16	8353.16
c) Short term borrowings [Refer Note No. 19 (ii)] **	139466.24	(33597.04)	-	105869.20
d) Interest accrued but not due on borrowings [Refer Note No. 20 (i) & (ii)]	655.60	(655.60)	660.97	660.97
Total	**174055.98**	**(27238.26)**	**2091.73**	**148909.45**

* Includes cash flows on account of both principal and interest.

^ Includes amount on account of effect of change in foreign exchange rates and changes in fair values ₹ Nil

** Cash flows represents cash flows during the year on net basis.

Consolidated CASH FLOW STATEMENT for the year ended 31st March, 2020 *(contd.)*

9) Figure in brackets represent cash outflow from respective activities.

10) As breakup of Cash and cash equivalents is also available in Note No. 14, reconciliation of items of Cash and cash equivalents as per consolidated Cash Flow Statement with the respective items reported in the consolidated Balance Sheet is not required and hence not provided.

The accompanying notes 2 to 37 are an integral part of the consolidated financial statements.

As per our report of even date attached.
For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/	sd/-
R. P. Singh Partner Membership No. 052438	**Manoj Agarwal** Company Secretary	**Pramod Patwari** Chief Financial Officer	**Dr. Arvind Krishna Saxena** Whole-time Director DIN - 00846939	**Vivek Saraogi** Managing Director DIN - 00221419
Place of Signature: Kolkata Date: 23rd June, 2020	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

Notes forming part of the Consolidated Financial Statements

Note No. : 1 Corporate information

The consolidated financial statements comprise financial statements of Balrampur Chini Mills Ltd. ("BCML" or "Company" or "the Parent") and its two associates; Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") and Auxilo Finserve Pvt. Ltd. ("AFPL").

Balrampur Chini Mills Limited ("BCML" or "Company") having Corporate Identity Number ("CIN") L15421WB1975PLC030118 is a public limited company incorporated and domiciled in India and has its registered office situated at FMC Fortuna, 2nd Floor, 234/3A, AJC Bose Road, Kolkata – 700020, West Bengal, India.

Company's shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

The Company is one of the major integrated sugar manufacturing companies in India. The principal activity of the Company is manufacturing and sale of sugar. Besides this, the allied business activities of the Company primarily consists of manufacturing and sale of Ethanol, Ethyl Alcohol, generation and sale of Power and manufacturing and sale of agricultural fertilizers.

The consolidated financial statements for the year ended 31st March, 2020 were approved for issue by the Board of Directors of Company on 23rd June, 2020 and are subject to adoption by the shareholders in the ensuing Annual General Meeting.

Note No. : 2 Significant accounting policies

2.1 Basis of preparation and consolidation

2.1.1 Basis of preparation

These consolidated financial statements have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under historical cost convention on an accrual basis, except certain financial instruments and biological assets which are measured in terms of relevant Ind AS at fair value/cost, other relevant provisions of the Act (to the extent notified).

All "Ind AS" issued and notified till the consolidated financial statements are approved for issue by the Board of Directors have been considered in preparing these consolidated financial statements.

Accounting policies have been consistently applied except where a newly issued "Ind AS" is initially adopted or a revision to an existing "Ind AS" requires a change in the accounting policy hitherto in use.

All the assets and liabilities (other than deferred tax assets/liabilities) have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Company has ascertained its operating cycle as 12 months for current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are considered as non-current.

The items included in the consolidated financial statements (including notes thereon) are measured using the currency of the primary economic environment in which Company operates ("the functional currency") and are, therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs." or " ₹ "). All amounts disclosed in the consolidated financial statements including notes thereon have been rounded off to the nearest Lacs.

2.1.2 Basis of consolidation

The consolidated financial statements have been prepared in accordance with the principles laid down in Ind AS 110 on Consolidated Financial Statements and Ind AS 28 on Accounting for Investments in Associates and Joint Ventures.

The Company's investments in its associates are accounted for using the equity method. Under the equity method, the investment in associates is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate since the acquisition date. If the Company's share of the net fair value of the investee's identifiable assets and liabilities exceeds the cost of the investment, any excess is recognised directly in Equity as capital reserve in the period in which the investment is acquired. Goodwill, if any, relating to the associate is included in the carrying amount of the investment and is not tested for impairment.

The consolidated statement of profit and loss reflects the Company's share of the results of operations of the associates. Any change in other comprehensive income of investee is presented as part of the Company's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associates, the Company recognises its share of any changes, when

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Company and the associates are eliminated to the extent of the interest in the associates.

If the Company's share of losses of associates equals or exceeds its interest in the associates (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates. If the associate subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit or loss of associates is shown on the face of the consolidated statement of profit and loss.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date, i.e., year ended on 31st March.

When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each balance sheet date, the Company determines whether there is objective evidence that the investment in the associates is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit/loss of associates' in the consolidated statement of profit and loss.

2.2 Recent pronouncements

New and revised standards adopted by the Company

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified "Ind AS" 116 - Leases which replaces the existing lease standard, "Ind AS" - 17 Leases and other interpretations and added Appendix C, Uncertainty over Income Tax Treatments to Ind AS12 - Income Taxes .

(a) Ind AS 116 - Leases

The Company has applied "Ind AS" – 116 - Leases, with effect from 1st April 2019 under modified retrospective approach with cumulative effect of adoption being given effect to on the date of application. Impact in this respect has been given in Note No. 37(13).

(b) Appendix C, Uncertainty over Income Tax treatments to Ind AS 12 – Income taxes have also been revised with effect from the said date. Revision in the standard did not have any material impact on the financial statements.

2.3 Revenue recognition

Contract with a customer is accounted for only when it has commercial substance and all of the following criteria are met:

(i) Parties to the contract have approved the contract and are committed to performing their respective obligations;

(ii) Each party's rights regarding the goods or services to be transferred and payment terms there against can be identified;

(iii) Consideration in exchange for the goods or service to be transferred is collectible and determinable.

(a) Revenue from operations

Revenue is measured based on the consideration specified in the contract with the customers and excludes amounts collected on behalf of third parties. The revenue from sales is recognized when control over the goods or services have been transferred and/or goods/services are delivered/provided to the customers. Delivery occurs when the goods have been shipped or delivered to the specific location as the case may be and the customer has either accepted the goods under the contract or Company has sufficient evidence that all the criteria for acceptance have been satisfied. For further information, Refer to Note No. 37(11).

Returns, discounts and rebates as determined are deducted from sales.

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

(b) Other Income

(i) Interest income

For all debt instruments measured at amortized cost, interest income is recognized using the Effective Interest Rate ("EIR"). Interest income is included in "Other Income" in the consolidated statement of profit and loss.

(ii) Dividend Income

Dividend income is recognized when Company's right to receive the dividend is established, i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

(iii) Insurance claims

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

2.4 Property, plant and equipment ("PPE") and Capital work-in-progress ("CWIP")

(a) Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses if any.

For this purpose, cost includes deemed cost on the date of transition and the purchase cost of assets, including non-recoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

(b) Costs incurred subsequent to initial capitalization are included in the asset's carrying amount only when it is probable that future economic benefits associated therewith will flow to the Company and it can be measured reliably.

The carrying amount of the replaced part is derecognized. The costs of regular servicing of property, plant and equipment are recognized in the consolidated statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for provisions are met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components; otherwise, these are added to and depreciated over the useful life of the main asset.

The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or when no future economic benefits are expected to arise from the use of the asset and the resultant gains or losses are recognized in the consolidated statement of profit and loss.

(c) Property, plant and equipment includes leasehold land classified as Right-of -use assets.

(d) Depreciation methods, estimated useful lives and residual value

Depreciation on items of property, plant and equipment commences when the assets are available for their intended use. It is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset specified under Schedule II to the Companies Act, 2013 except in respect of items of "Plant and Equipment" and "Vehicles" whose estimated useful lives are determined based on technical evaluation to reflect the actual usage of the assets. The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

The estimated useful lives considered are as follows:

Category	31st March 2020
Buildings	03 - 60 years
Roads	03 - 10 years
Plant and equipment	05 - 25 years
Furniture and fixtures	10 years
Vehicles	05- 10 years
Office equipments	03 - 05 years
Computers	03 - 06 years
Electrical installation and equipment	05 - 10 years
Pipelines	15 years

Each item of property, plant and equipment individually costing ₹ 5,000/- or less are depreciated over a period of one year from the date the said asset is available for use.

Leasehold land classified as Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

The residual values of assets (individually costing more than ₹ 5,000/-) is not more than 5% of the original cost of the asset.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year and are given effect to, wherever appropriate.

(e) Expenditure during the construction period

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

2.5 Intangible assets (Computer Software)

(a) Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset.

Intangible assets purchased are measured at cost as at the date of acquisition, less accumulated amortization and impairment losses if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/system integration services and any directly attributable expenses, wherever applicable for bringing the asset to its working condition for the intended use.

(b) Amortization methods, estimated useful lives and residual value

Computer software is amortized on a straight-line basis (without keeping any residual value) over its estimated useful lives of five years from the date they are available for use.

The estimated useful lives, residual values and amortization method are reviewed at the end of each financial year and are given effect to, wherever appropriate.

(c) The cost and related accumulated amortization are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the consolidated statement of profit and loss.

2.6 Inventories

(a) Inventories (other than By-products and Scraps) are valued at lower of cost and net realizable value after providing for obsolescence if any.

Cost of inventory comprises of the purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

value of inventories. The cost of inventories is computed on a weighted average basis.

Net realizable value (NRV) is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

(b) By-products and Scraps are valued at net realizable value.

2.7 Biological assets

Biological assets comprise Standing crops (crops under development) of sugarcane.

The biological process starts with the preparation of land for planting seedlings and ends with the harvesting of crops. When harvested, the cane is transferred to inventory at fair value less costs to sell or at cost whichever applicable.

For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation up to the balance sheet date.

2.8 Government grants

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

Government grants related to property, plant and equipment, including non-monetary grants, are presented in the consolidated balance sheet by deducting the grant in arriving at the carrying amount of the asset.

Government grants of revenue in nature are recognized on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs and are adjusted with the related expenditure. If not related to a specific expenditure, it is considered as income and included under "Other Operating Revenue" or "Other Income".

The benefit of a government loan at a below-market rate of interest or loan with interest subvention is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.9 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the consolidated statement of profit and loss in the period in which they are incurred.

2.10 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company's lease asset class primarily consist of leases for land. At the inception of the contract, Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) Company has the right to direct the use of the asset.

At the date of commencement of the lease, Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low-value leases. For these short-term or low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

payments made at or before the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

2.11 Provisions, contingent liabilities and contingent assets

(a) A provision is recognized if, as a result of a past event, Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset. The expense relating to the provision is presented in the consolidated statement of profit and loss, net of any reimbursement.

(b) Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(c) A contingent asset is not recognized in the financial statements, however, it is disclosed, where an inflow of economic benefits is probable.

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

2.12 Dividend payable

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

2.13 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding on the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Any income or expense arising on account of foreign exchange difference, either on settlement or on translation, is recognized in the consolidated statement of profit and loss.

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

2.14 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits, are recognized as an expense at the undiscounted amount in the consolidated statement of profit and loss in the year in which the related service is rendered.

(b) Defined contribution plans

The Company pays provident and other fund contributions to publicly administered fund as per related Government regulations.

The Company has no further obligation, other than the contributions payable to the respective funds. The Company recognizes contribution payable to such funds as an expense when an employee renders the related service.

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

(c) Defined benefit plans

The Company operates a defined benefit gratuity plan, which requires contributions to be made to "The Balrampur Sugar Company Limited Employees Gratuity Fund" ("the Trust"). Trustees administer contributions made to the Trust and contributions are invested through insurance companies.

The liability or asset recognized in the consolidated balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated by external actuaries using the projected unit credit method.

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

(d) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using the projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

2.15 Financial instruments

Financial assets and financial liabilities are recognized in the consolidated balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

Financial assets

(a) Initial recognition and measurement

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

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

Fair value measurement

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 Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(i) Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

(ii) Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

(iii) Level 3: Unobservable inputs for the asset or liability.

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

(b) Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

(i) At amortized cost,

(ii) At fair value through other comprehensive income (FVTOCI), and

(iii) At fair value through profit or loss (FVTPL).

Financial assets at amortized cost

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

(i) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and

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

Amortized cost is determined using the Effective Interest Rate ("EIR") method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are not classified in any of the categories above are fair value through profit or loss.

Equity investments

Equity investments in the scope of "Ind AS - 109" are measured at fair value except for investment in associates which are carried at cost.

The Company makes an election to present changes in fair value either through OCI or through profit or loss on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. Profit or loss arising on sale thereof is also taken to OCI and the amount accumulated in this respect is transferred within the Equity.

(c) De-recognition

Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Financial liabilities

(a) Initial recognition and measurement

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments, etc.

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

(b) Subsequent measurement

For subsequent measurement, financial liabilities are classified into two categories:

(i) Financial liabilities at amortized cost, and

(ii) Derivative instruments at fair value through profit or loss (FVTPL).

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

Financial liabilities at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

(c) De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Derivative financial instruments

Initial recognition and subsequent measurement

A derivative financial instrument, such as foreign exchange forward contracts are used to hedge foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Offsetting of financial instruments

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

Equity share capital

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

2.16 Impairment of Assets

(a) Non-financial assets

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed so that the asset is recognized at its recoverable amount but not exceeding the value which would have been reported in this respect if the impairment loss had not been recognized.

(b) Financial assets

The Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortized cost and fair value through other comprehensive income.

The Company recognizes lifetime expected credit losses for trade receivables.

Loss allowance equal to the lifetime expected credit losses, are recognized if the credit risk of the financial asset has significantly increased since initial recognition.

2.17 Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the consolidated statement of profit and loss except to the extent it relates to items directly recognized in Equity or Other comprehensive income (OCI).

Notes forming part of the Consolidated Financial Statements

Note No. : 2 Significant accounting policies *(contd.)*

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and Equity respectively.

Management periodically evaluates positions taken in the tax returns to situations in which applicable tax regulations are subject to interpretation and full provisions are made where appropriate based on the amount expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(b) Deferred income tax

Deferred income tax assets and liabilities are recognized for the deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that the same will be reversed or sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

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

2.18 Earnings per Share

(a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

(b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined at the end of each period presented.

The number of equity shares and potential dilutive Equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected before the approval of the consolidated financial statements by the Board of Directors.

2.19 Segment reporting

Operating segments are identified and reported taking into account the different risk and return, organizational structure and internal reporting system.

2.20 Cash and cash equivalents

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

2.21 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes forming part of the Consolidated Financial Statements

Note No. : 3 Use of critical estimates, judgments and assumptions

The preparation of the consolidated financial statements in conformity with the measurement principle under Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent assets and liabilities.

The estimates, judgments and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

The application of accounting policies that require critical judgments and accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed herein below.

(i) Estimated useful life of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed periodically including at each financial year end. The lives are based on technical evaluation, technological obsolesces and historical experience with similar assets as well as anticipation of future events, which may impact their lives. This re-assessment may result in a change in depreciation and amortization expense in future periods.

(ii) Current taxes and deferred taxes

Significant judgment is required in the determination of the taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes and option to be exercised for application of reduced rates of taxation on possible cessation of tax deduction and exhaustion of MAT credit entitlement in future years based on estimates of future taxable profits.

Deferred tax assets are recognized for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that taxable profit would probably be available against which the losses could be utilized. Significant judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination.

(iii) Retirement benefit obligations

The Company's retirement benefit obligations cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, inflation, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at every financial year end.

(iv) Fair value measurements of financial instruments

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets are determined using valuation techniques including the Discounted Cash Flow (DCF) model. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions at regular intervals.

Notes forming part of the Consolidated Financial Statements

Note No. : 3 Use of critical estimates, judgments and assumptions

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Provisions, contingent liabilities and contingent assets

The timing of recognition and quantification of the provisions, contingent liabilities and contingent assets require the application of judgment to existing facts and circumstances which are subject to change on the actual occurrence or happening. Judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company and possible inflow of resources in respect of the claims made by the Company which has been considered to be contingent in nature. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Notes forming part of the Consolidated Financial Statements

Note No. : 4 Property, plant and equipment and Capital work-in-progress

(₹ in Lacs)

Particulars	Property, Plant and Equipment													Capital work-in-progress @
	Land (Free hold)	Land (Lease hold)	Land (Right 0f use)	Buildings	Roads	Plant and equipment	Furniture & Fixtures	Vehicles	Office equipment	Computers	Electrical Installation and equipment	Pipelines	Total	
Gross block														
Gross carrying amount as at 1st April, 2019	**6543.87**	**402.54**	**–**	**37692.52**	**1608.22**	**111152.89**	**826.83**	**1574.63**	**188.35**	**790.52**	**12115.37**	**8199.65**	**181095.39**	**4582.51**
Additions during the year	105.74	–	634.93	4262.31	761.22	18709.93	193.08	340.16	42.32	118.55	3072.20	3321.36	31561.80	24902.40
Disposals/deductions during the year	0.69	402.54	–	93.89	–	767.70	35.08	220.46	10.67	18.30	1.91	17.00	1568.24	28245.27
Gross carrying amount as at 31st March, 2020	**6648.92**	**–**	**634.93**	**41860.94**	**2369.44**	**129095.12**	**984.83**	**1694.33**	**220.00**	**890.77**	**15185.66**	**11504.01**	**211088.95**	**1239.64**
Depreciation / amortisation														
Accumulated depreciation / amortisation as at 1st April, 2019	–	25.66	–	5049.84	1225.32	21837.00	376.78	588.69	92.45	452.62	6480.09	2964.95	39093.40	–
Depreciation/ amortisation for the year	–	–	10.29	1430.52	87.38	6504.01	94.33	275.49	34.69	143.09	682.76	811.09	10073.65	–
Disposals/deductions during the year	–	25.66	(25.66)	16.73	–	182.98	24.12	145.58	7.29	14.91	0.04	2.12	393.77	–
Accumulated depreciation / amortisation as at 31st March, 2020	**–**	**–**	**35.95**	**6463.63**	**1312.70**	**28158.03**	**446.99**	**718.60**	**119.85**	**580.80**	**7162.81**	**3773.92**	**48773.28**	**–**
Net carrying amount as at 31st March, 2020	**6648.92**	**–**	**598.98**	**35397.31**	**1056.74**	**100937.09**	**537.84**	**975.73**	**100.15**	**309.97**	**8022.85**	**7730.09**	**162315.67**	**1239.64**
Gross block														
Gross carrying amount as at 1st April, 2018	**6583.56**	**402.54**	**–**	**36491.75**	**1591.46**	**107389.18**	**744.14**	**1437.83**	**168.07**	**657.74**	**11196.18**	**7647.76**	**174310.21**	**1125.21**
Additions during the year	14.73	–	–	1211.18	16.76	4393.52	108.94	369.81	34.42	150.43	961.01	552.65	7813.45	9887.65
Disposals/deductions during the year	54.42	–	–	10.41	–	629.81	26.25	233.01	14.14	17.65	41.82	0.76	1028.27	6430.35
Gross carrying amount as at 31st March, 2019	**6543.87**	**402.54**	**–**	**37692.52**	**1608.22**	**111152.89**	**826.83**	**1574.63**	**188.35**	**790.52**	**12115.37**	**8199.65**	**181095.39**	**4582.51**
Depreciation / amortisation														
Accumulated depreciation / amortisation as at 1st April, 2018	**–**	**19.22**	**–**	**3724.05**	**1161.61**	**15743.38**	**315.47**	**459.75**	**75.27**	**317.70**	**5938.13**	**2192.89**	**29947.47**	**–**
Depreciation/ amortisation for the year	–	6.44	–	1328.30	63.71	6215.04	81.81	276.69	28.36	142.53	572.78	772.06	9487.72	–
Disposals/deductions during the year	–	–	–	2.51	–	121.42	20.50	147.75	11.18	7.61	30.82	-	341.79	–
Accumulated depreciation / amortisation as at 31st March, 2019	**–**	**25.66**	**–**	**5049.84**	**1225.32**	**21837.00**	**376.78**	**588.69**	**92.45**	**452.62**	**6480.09**	**2964.95**	**39093.40**	**–**
Net carrying amount as at 31st March, 2019	**6543.87**	**376.88**	**–**	**32642.68**	**382.90**	**89315.89**	**450.05**	**985.94**	**95.90**	**337.90**	**5635.28**	**5234.70**	**142001.99**	**4582.51**

@ Refer Note No. 4A.

Notes :

a) Depreciation capitalised and transferred to Capital work in progress ₹ 12.18 lacs (Previous year: ₹ 3.16 lacs) - Refer Note No. 4A.

b) The finance costs on borrowings capitalised during the year amounted to ₹ 20.47 lacs (Previous year: ₹ 26.82 lacs) using the capitalisation rate of 4.43% (Previous year: 6.52%) per annum which is the effective interest rate on such borrowings.

c) The Company has availed loans from banks and other entities against security of the fixed assets as referred in Note No. 19.

d) Disposals/deductions/adjustments during the year include reclassification with respect to Right-of-use ("ROU") asset on implementation of "Ind AS" 116 with corresponding increase of such assets being shown under Additions/reclassification during the year [Refer Note No. 37(13) for other disclosures].

e) Buildings include ₹ 1.66 Lacs being cost to 79833 equity shares of Fortuna Services Ltd.

Notes forming part of the Consolidated Financial Statements

Note No. : 4A Capital work-in-progress

(₹ in Lacs)

Particulars	As at 31st March, 2020			As at 31st March, 2019		
Building, plant and equipment , electrical installations etc. in - progress						
Additions during the year			24513.80			9715.83
(A)			**24513.80**			**9715.83**
Preoperative and trial run expenses						
Additions during the year :						
Cost of materials consumed			32.84			45.59
Employee benefits expense						
Salaries and wages		87.95			13.27	
Contribution to provident and other funds		7.99			1.22	
Staff welfare expense		1.37	97.31		–	14.49
Finance costs						
Interest [Refer Note No. 4(b)]			20.47			26.82
Depreciation expense			12.18			3.16
Other expenses						
Consumption of stores						
Process chemicals	–			0.96		
Others	0.09	0.09		0.02	0.98	
Power and fuel		25.55			–	
Insurance		1.15			0.03	
Rates and taxes (excluding taxes on income)		9.48			1.46	
Professional expenses		138.97			93.65	
Miscellaneous expenses		52.04	227.28		5.39	101.51
(B)			**390.08**			**191.57**
Income during trial run :						
Inter division transfers						
Power			1.48			13.26
Credit during pre-operative / trial run :						
Sales			–			6.49
(C)			**1.48**			**19.75**
Total additions during the year D= (A+B-C)			**24902.40**			**9887.65**
Balance brought forward						
Building, plant and equipment , electrical installations etc. in - progress **(E)**			4582.51			1125.21
F = (D+E)			**29484.91**			**11012.86**
Capitalised during the year **(G)**			28245.27			6430.35
Capital work-in-progress at the end of the year H= (F-G)			**1239.64**			**4582.51**

Note:

The Company has commissioned on 12th January, 2020, 160 KLPD zero discharge effluent waste distillery at Gularia unit along with 7.56 MW incineration boiler and corresponding cost included under (G) above has been capitalised and transferred to property, plant and equipment.

Notes forming part of the Consolidated Financial Statements

Note No. : 5 Intangible assets

(₹ in Lacs)

Particulars	Intangible assets Computer Software (Acquired)
Gross block Gross carrying amount as at 1st April, 2019	540.68
Additions during the year	15.42
Gross carrying amount as at 31st March, 2020	**556.10**
Amortisation Accumulated amortisation as at 1st April, 2019	386.92
Amortisation for the year	80.25
Accumulated amortisation as at 31st March, 2020	467.17
Net carrying amount as at 31st March, 2020	88.93
Gross block	
Gross carrying amount as at 1st April, 2018	490.59
Additions during the year	50.09
Gross carrying amount as at 31st March, 2019	540.68
Amortisation Accumulated amortisation as at 1st April, 2018	**286.35**
Amortisation for the year	100.57
Accumulated amortisation as at 31st March, 2019	386.92
Net carrying amount as at 31st March, 2019	153.76

Note:
The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer Note No. 19 for charge created/ security terms for the said loans).

Notes forming part of the Consolidated Financial Statements

Note No. : 6 Investment in associates accounted for using the equity method

(a) Break-up of investment in associates (Non-current)

(₹ in Lacs)

Particulars	Face value	Number of Shares	As at 31st March, 2020	Number of Shares	As at 31st March, 2019
Investment in Equity instruments					
Fully paid up :					
Unquoted					
Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL")	₹10	8914500	7707.34	8914500	7115.56
Associate Company (w.e.f 24th January, 2017)					
Auxilo Finserve Pvt. Ltd. ("AFPL")	₹10	155000000	16166.51	75000000	7196.07
Associate Company (w.e.f 20th March, 2018)					
			23873.85		**14311.63**
Aggregate amount of quoted investments			Not applicable		Not applicable
Aggregate market value of quoted investments			Not applicable		Not applicable
Aggregate amount of unquoted investments			23873.85		14311.63
Aggregate amount of impairment in value of investments			Nil		Nil

(b) Details of the associates

During the year ended 31st March, 2020, the Company has acquired 8,00,00,000 Equity shares of AFPL of par value of ₹ 10 each for an aggregate amount of ₹ 8250.00 Lacs on preferential basis resulting in total investment of ₹ 15750.00 Lacs in AFPL. [Refer Note No.37(18)].

The Group's interest in associates is accounted for using the equity method in the consolidated financial statements.

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group	
			As at 31st March, 2020	As at 31st March, 2019
Visual Percept Solar Projects Pvt. Ltd.	Generation and sale of power	Mumbai, Surendranagar (Gujarat)	45%	45%
Auxilo Finserve Pvt. Ltd.	Financing activities in education sector in India	Mumbai	45.05%	50%

The following table summarizes the financial information of the Balance Sheet of the associates prepared in accordance with Ind AS:

(₹ in Lacs)

Particulars	AFPL		VPSPPL	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	47189.05	26222.66	18836.48	21928.50
Current assets	14952.53	2207.88	782.69	793.62
Non-current liabilities	18214.46	3226.60	1174.82	6270.15
Current liabilities	8041.42	11396.65	1316.92	639.62
Equity	**35885.70**	**13807.29**	**17127.43**	**15812.35**

Notes forming part of the Consolidated Financial Statements

Note No. : 6 Investment in associates accounted for using the equity method *(contd.)*

The following table summarizes the financial information of the Statement of Profit and Loss of the associates prepared in accordance with Ind AS:

(₹ in Lacs)

Particulars	AFPL		VPSPPL	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
Revenue	5320.31	1452.77	5397.61	5710.18
Other Income	256.88	682.42	73.20	30.35
Employee benefits expense	1694.64	1370.68	80.01	78.58
Finance costs	1773.19	403.75	635.55	651.34
Depreciation and amortisation expense	213.26	61.52	1708.72	1786.39
Other expenses	1280.09	1033.61	1701.50	210.39
Profit before tax	616.01	(734.37)	1345.03	3013.83
Tax expenses	238.83	(150.90)	28.63	864.45
Net Profit after tax for the year	377.18	(583.47)	1316.40	2149.38
Other comprehensive income, net of tax for the year	(0.72)	(0.88)	(1.33)	(0.28)
Total comprehensive income for the year	376.46	(584.35)	1315.07	2149.10
Group's proportionate share of profit before tax	188.28	(291.74)	592.38	967.22
Less: Deferred tax @ 23.296 %	43.86	(67.96)	138.00	225.32
Group's proportionate share of profit after tax	**144.42**	**(223.78)**	**454.38**	**741.90**
Group's proportionate share of other comprehensive income	(0.36)	(0.44)	(0.60)	(0.12)
Less: Deferred tax @ 23.296 %	(0.08)	(0.10)	(0.14)	(0.03)
Group's proportionate share of other comprehensive income, after tax	(0.28)	(0.34)	(0.46)	(0.09)
Group's proportionate share of total comprehensive income	144.14	(224.12)	453.92	741.81

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognized in the consolidated financial statements:

(₹ in Lacs)

Particulars	AFPL		VPSPPL	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Net assets of the associate	35885.70	13807.29	17127.43	15812.35
Proportion of the Group's ownership interest	45.05%	50.00%	45.00%	45.00%
Group's share of net assets	16166.51*	6903.65*	7707.34	7115.56

*Differential of ₹Nil (Previous Year : ₹292.42 Lacs) with respect to carrying amount of investment is represented by pre acquisition losses not forming part of goodwill/investment.

Notes forming part of the Consolidated Financial Statements

Note No. : 7 Other Investment

(i) Non-current (₹ in Lacs)

Particulars	Face value	Number of Shares / debentures	As at 31st March, 2020	Number of Shares / debentures	As at 31st March, 2019
(a) Investment in Equity instruments (Designated at fair value through other comprehensive income)					
Fully paid up :					
Unquoted					
Asia Sugar Industries Pvt. Ltd.	₹10	-	-	250000	48.36
Fortuna Services Ltd.	₹1	-	-	70287	0.70
Total (A)			**-**		**49.06**
(b) Investment in Debentures # (Measured at amortised cost)					
Fully paid up :					
Unquoted					
Associate Company (w.e.f 24th January, 2017)					
Visual Percept Solar Projects Pvt. Ltd.	₹100	-	-	1822500	2210.63
Total (B)			**-**		**2210.63**
(c) Investment in Post Office National Saving Certificates (Measured at amortised cost)					
Unquoted			-		4.84
(Deposited with government authorities)					
Total (C)			**-**		**4.84**
Total D = (A + B + C)			-		**2264.53**
Aggregate amount of quoted investments			Not applicable		Not applicable
Aggregate market value of quoted investments			Not applicable		Not applicable
Aggregate amount of unquoted investments			-		2264.53
Aggregate amount of impairment in value of investments			Nil		Nil
Aggregate amount of investments carried at amortized cost			-		2215.47
Aggregate amount of investments designated at fair value through other comprehensive income			-		49.06
			–		**2264.53**

As per modified terms adopted during the year, debentures are to be redeemed fully in four equal installments at a premium of 25% along with proportionate coupon @ 14% per annum, the last installment being redeemable on 30th June 2020 has been shown under current investments.

(ii) Current (₹ in Lacs)

Particulars	Face value	Number of debentures	As at 31st March, 2020	Number of debentures	As at 31st March, 2019
(a) Investment in debentures (Measured at amortized cost)					
Fully paid up :					
Unquoted					
Investment in associate					
Visual Percept Solar Projects Pvt. Ltd.*	₹100	455625	564.58	–	–
			564.58		–
Aggregate amount of unquoted investments			564.58		–
Aggregate amount of impairment in value of investments			Nil		Nil
Aggregate amount of investments carried at amortized cost			564.58		–

* Redeemable on 30th June, 2020.

Notes forming part of the Consolidated Financial Statements

Note No. : 8 Trade and other receivables (carried at amortized cost)

(i) Non-current (Unsecured, considered good unless stated otherwise) (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Trade receivables				
Credit impaired		97.63		97.63
Less : Allowance for impaired receivables		97.63		97.63
		–		–

(ii) **Current (Unsecured, considered good unless stated otherwise)** (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Trade receivables *		23928.87		44985.00
Other receivables		–		18.36
		23928.87		**45003.36**

* Refer Note No. 19 for charge created against trade receivables.

* The above includes ₹ Nil (Previous year : ₹ 15878.23 lacs) against which the Company holds irrevocable letter of credit ("LCs") issued by banks in favour of the Company. Amount received as discounting of receivables backed by LCs have been shown as Post-shipment credit under Borrowings - Current - Refer Note No. 19(ii).

Note No. : 9 Other financial assets(carried at amortized cost)

(i) **Non-current (Unsecured, considered good unless stated otherwise)** (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Security deposits		92.41		68.70
Fixed deposits with banks				
(Bank deposits with more than 12 months maturity)				
For Molasses storage fund (Earmarked)	0.97		–	
With Excise authorities (Pledged)	105.17	106.14	71.27	71.27
Interest accrued but not due on				
Fixed deposits with banks	5.58		3.38	
National saving certificates	–	5.58	2.16	5.54
		204.13		**145.51**

(ii) **Current (Unsecured, considered good unless stated otherwise)** (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Advances to employees		182.20		149.03
Claims receivable*		29597.40		18973.48
Interest accrued but not due on				
Fixed deposits with banks	2.64		6.39	
Others	3.25	5.89	2.66	9.05
		29785.49		**19131.56**

* Includes claim for subsidy [Refer Note No. 37(8)]

Note No. : 10 Non-current tax assets (net)

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Advance tax		48027.66		42924.98
Less : Provision for taxation		47187.39		37671.06
		840.27		5253.92

Notes forming part of the Consolidated Financial Statements

Note No. : 11 Other non-current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Capital advances		70.26		2623.26
Advances other than capital advances				
Other advances				
Advances to suppliers and others				
Considered doubtful	10.33		16.33	
Less: Allowance for bad and doubtful advances	10.33	-	16.33	-
Others				
Prepaid expenses	93.93		121.03	
Duties and taxes paid under protest	319.35	413.28	454.03	575.06
		483.54		**3198.32**

Note No. : 12 Inventories

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Raw materials	6941.76		5624.42	
Add : Goods-in-transit	31.12	6972.88	1.81	5626.23
Packing materials		382.59		430.11
Work-in-progress				
Sugar	3319.55		3707.98	
Molasses	342.54	3662.09	317.82	4025.80
Finished goods				
Sugar	196201.76		209204.53	
Industrial alcohol	3554.70		404.89	
Banked power	168.78		81.29	
Others	64.78		6.34	
	199990.02		209697.05	
Add : Goods-in-transit	2617.06	202607.08	190.16	209887.21
Stores and spares	6066.03		5446.23	
Add : Goods-in-transit	125.81		329.37	
	6191.84		5775.60	
Less: Provision for obsolescence /non-moving stores and spares [Refer Note No. 34]	100.92	6090.92	97.36	5678.24
Loose tools		0.16		0.17
By-products		9759.90		5895.37
Scrap		21.51		45.95
		229497.13		**231589.08**

Notes forming part of the Consolidated Financial Statements

Note No. : 12 Inventories *(Contd.)*

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Notes				
(i) Carrying amount of inventories pledged as security for loans (Refer Note No. 19 for charge created/security terms against borrowings).		225053.87		230987.10
(ii) Refer Note No. 2(6) for mode of valuation.				

Note No. : 13 Biological assets

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Reconciliation of changes in book value of biological assets:				
Opening balance		17.49		11.60
Additions during the year		25.57		28.10
Decrease due to harvested sugarcane transferred to inventory *		30.56		22.21
Closing balance		**12.50**		**17.49**

* Includes sugarcane captively consumed

Note No. : 14 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Balances with banks				
On current accounts		46.72		179.04
Cheques on hand		-		0.53
Cash on hand		102.52		32.19
		149.24		**211.76**

Note No. : 15 Bank balances other than cash and cash equivalents

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Earmarked balances				
Fixed deposits for molasses storage fund				
Current portion of original maturity period				
more than 12 months	-		2.50	
Original maturity period up to 12 months	98.80	98.80	45.20	47.70
Unpaid dividend accounts		193.56		165.44
Fixed deposits pledged with excise authorities				
Current portion of original maturity period more than 12 months		0.02		15.02
Other bank balances *		23.96		52.92
		316.34		**281.08**

* Balances in subsidy accounts and escrow accounts for buy-back of equity shares and cane payment.

Notes forming part of the Consolidated Financial Statements

Note No. : 16 Other current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Advances other than capital advances				
Other advances				
Advances to suppliers and others	661.10		898.49	
Income tax refundable	4798.53		-	
GST, Vat and other taxes / duties	496.10	5955.73	402.66	1301.15
Others				
Prepaid expenses	945.42		743.90	
Interest accrued on income tax refund	455.86		-	
Miscellaneous	25.38	1426.66	25.40	769.30
		7382.39		**2070.45**

Note No. : 17 Share capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)
(a) Authorised				
Equity shares of par value ₹ 1/- each	400000000	4000.00	400000000	4000.00
Preference shares of par value ₹ 100/- each	2500000	2500.00	2500000	2500.00
		6500.00		**6500.00**
(b) Issued, subscribed and fully paid up				
Equity shares of par value ₹ 1/- each	220000000	2200.00	228438327	2284.38
		2200.00		**2284.38**

Issue of 16910 (Previous year 16910) equity shares on Right basis has been kept in abeyance in view of pending disputes.

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)
At the beginning of the year	228438327	2284.38	228428327	2284.28
Add:				
"Shares issued on exercise of Employee Stock Options [Refer Note No. 37(3)]"	-	-	10000	0.10
Less: Buyback of shares [Refer Note No. 37(5)]	8438327	84.38	-	-
At the end of the year	**220000000**	**2200.00**	**228438327**	**2284.38**

(d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

(e) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the Consolidated Financial Statements

Note No. : 17 Share capital *(Contd.)*

(f) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares held	% of holding	No. of shares held	% of holding
Shri Vivek Saraogi	35869184	16.30	35680017	15.62
Smt. Sumedha Saraogi	23027099	10.47	9166061	4.01
Late Karan Saraogi	-	-	17052904	7.46

(g) The aggregate number of equity shares bought back in immediately preceding last five years ended 31st March, 2020 - 25038327 equity shares (Previous period of five years ended 31st March, 2019 - 16600000 equity shares).

(h) The Company has reserved Nil (Previous year: Nil) equity shares of par value ₹ 1/- each for issue at a premium of ₹ 44/- each to eligible employees of the Company under Employee Stock Option Scheme.

Note No. : 18 Other equity

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
A. Reserve & Surplus				
(a) Capital reserves				
Balance as per last account		3184.58		3184.58
(b) Capital redemption reserve				
Balance as per last account	2820.10		2820.10	
Add: Transfer from securities premium on buy back of equity shares [Refer Note No. 37(5)]	84.38	2904.48	-	2820.10
(c) Securities premium				
Balance as per last account	24587.05		24578.91	
Add: On exercise of Employee Stock Options Scheme	-		8.14	
Less: Utilised on buy back of equity shares [Refer Note No. 37(5)]	14682.69		-	
Less: Transfer to capital redemption reserve on buy back of equity shares [Refer Note No. 37 (5)]	84.38	9819.98	-	24587.05
(d) Share options outstanding account				
Balance as per last account	-		13.23	
Less: Options exercised [Refer Note No. 37(3)]	-		3.74	
Less: Options forfeited [Refer Note No. 37(3)]	-	-	9.49	-
(e) General reserve				
Balance as per last account	90000.00		64977.91	
Add: Transfer from retained earnings	20000.00	110000.00	25022.09	90000.00
(f) Storage fund for molasses				
Balance as per last account	39.85		139.94	
Add: Created during the year	47.34		39.08	
Less: Written back during the year	-	87.19	139.17	39.85

Notes forming part of the Consolidated Financial Statements

Note No. : 18 Other equity *(Contd.)*

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
(g) Retained earnings				
Balance as per last account	88863.14		63702.81	
Impact of change in accounting policy relating to accounting of Government Grant	-		(0.39)	
	88863.14		63702.42	
Add: Profit for the year	51935.44		57581.98	
Add: Transfer from other comprehensive income	(689.56)		(514.31)	
Less: Transfer to General reserve	20000.00		25022.09	
Less: Buyback expenses				
[net of tax ₹56.53 lacs (Previous year: ₹ Nil) [Refer Note No. 37(5)]	105.24		-	
	120003.78		95748.00	
Less: Interim dividend paid during the year	5500.00		5710.96	
Less: Tax on interim dividend paid during the year	1130.54	113373.24	1173.90	88863.14
(A)		239369.47		209494.72
B. Other comprehensive income				
Balance as per last account	-		-	
Add: Other comprehensive income for the year	(689.56)		(514.31)	
Less: Transfer to retained earnings	(689.56)	-	(514.31)	-
(B)		-		-
C = (A + B)		239369.47		209494.72

Notes:

i) Capital reserves comprise of reserve arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant scheme sanctioned by the Court.

ii) Capital redemption reserve is created consequent to redemption of preference share capital and buy back of equity shares. This reserve shall be utilised in accordance with the provisions of the Act.

iii) Securities premium is used to record the premium on issue of shares. This reserve is being utilised in accordance with the provisions of the Act.

iv) The share options outstanding account is used to record the value of equity-settled share based payment transactions with employees under its employee share option plan. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options by employees.

v) The general reserve represents amount transferred out of the profits of the Company and reserve aggregating to ₹ 4224.23 lacs (Previous year: ₹ 4224.23 lacs) arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant scheme sanctioned by the Court. It is not earmarked for any specific purpose.

vi) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974. During the previous year ended 31st March, 2019, ₹ 139.17 lacs was utilized from the fund and credited to the Statement of Profit and Loss in the year of utilization. The said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹ 99.77 lacs (Previous year ₹ 47.70 lacs).

vii) Retained earnings represents the undistributed profit / amount of accumulated earnings of the Company.

viii) Other Comprehensive income (OCI) represents the balance in equity relating to re-measurement gain/(loss) of defined benefit obligation and gain or loss on non-current equity investments. This would not be re-classified to Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements

Note No. : 19 Borrowings

(i) Non-current (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Carried at amortized cost				
Term loans				
From banks				
Secured				
Rupee loans:				
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh) [Refer Footnote (a)(i) below]		21279.87		27391.12
ICICI Bank Ltd. (ICICI) [Refer Footnote (a)(ii) below]		5000.00		-
HDFC Bank Ltd. (HDFC) [Refer Footnote (a)(iii) below]		7522.50		-
From entities other than banks				
Secured				
Rupee loans:				
Government of India, Sugar Development Fund (SDF)		-		533.40
[Refer Footnote (a)(iv) below]				
Long term maturities of lease obligation				
Unsecured		223.75		-
		34026.12		27924.52

a) Nature of securities for the aforesaid borrowings including current maturities of long term debt [Refer note no.20(ii)] and deferred income [refer note no.21]:

i) Rupee Term Loan from Government of Uttar Pradesh amounting to ₹ 31031.89 lacs (Previous Year: ₹ 36508.11 lacs) under the Scheme for Financial Assistance to Sugar Undertakings, 2018, of Uttar Pradesh Government is secured by pari passu first charge, by way of hypothecation of movable fixed assets, both present and future, pertaining to seven cogen units of the Company viz. Balrampur, Babhnan, Haidergarh, Akbarpur, Mankapur, Kumbhi and Gularia.

ii) Rupee Term Loan from ICICI amounting to ₹ 5000.00 lacs (Previous year: ₹ Nil) under Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets, both present and future, pertaining to Gularia distillery unit of the Company.

iii) Rupee Term Loan from HDFC amounting to ₹ 8024.00 lacs (Previous year: ₹ Nil) under Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets, both present and future, pertaining to Gularia distillery unit of the Company.

iv) Rupee Term Loan from SDF amounting to ₹ 533.40 lacs (Previous year: ₹ 1066.81 lacs) is secured by an exclusive second charge by way of equitable mortgage on immovable properties and hypothecation of movable properties (excluding current assets and book debts), both present and future, pertaining to Company's sugar and cogeneration units at Rauzagaon.

v) Release of securities in respect of a long-term loan fully repaid by the Company is in progress.

Notes forming part of the Consolidated Financial Statements

Note No. : 19 Borrowings *(Contd.)*

b) Terms of Repayment:

Lender of Loan	Rate of Interest (ROI) (%)	Amount outstanding as at 31st March, 2020		Amount outstanding as at 31st March, 2019		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2020	Number of installments outstanding as at 31st March, 2020	Amount of each installment (₹ in Lacs)	Details of security offered
		Current (₹ in Lacs) [Refer note no.20(ii)]	Non-current (₹ in Lacs)	Current (₹ in Lacs) [Refer note no.20(ii)]	Non-current (₹ in Lacs)				
1. Government of U.P. (through ICICI Bank Ltd.)	* 5% p.a. (Fixed)	7301.63	21279.87^	5476.22	27391.12	4 years 3 months and 3 days	51	608.47	Refer note no. 19 (i) (a) (i) above
	Sub - Total	**7301.63**	**21279.87**	**5476.22**	**27391.12**				
2. ICICI Bank Limited	ICICI one year MCLR (+) 0.70% effective rate 8.95%	-	5000.00	-	-	4 years 8 months and 30 days	4	1250.00	Refer note no. 19 (i) (a)(ii) above
	Sub - Total	**-**	**5000.00**	**-**	**-**				
3. HDFC Bank Limited	HDFC one year MCLR (+) 0.60% effective rate 8.75%	501.50	7522.50	-	-	4 years 8 months and 30 days	16	501.50	Refer note no. 19 (i) (a) (iii) above
	Sub - Total	**501.50**	**7522.50**	**-**	**-**				
4. Government of India, Sugar Development Fund	# Bank Rate (-) 2% i.e. 4% p.a.	533.40	-	533.40	533.40	5 months and 15 days	1	533.40	Refer note no. 19 (i) (a) (iv) above
	Sub - Total	**533.40**	**-**	**533.40**	**533.40**				
	Grand Total	**8336.53**	**33802.37**	**6009.62**	**27924.52**				

* Rate of interest has been fixed by the Government of Uttar Pradesh @5% for entire tenure of the loan under the Scheme of Extending Financial Assistance to Sugar Undertaking - 2018

\# Bank rate as prevailing on the date of disbursement.

^ excluding ₹ 2450.40 Lacs (Previous year : ₹ 3640.78 Lacs) on account of effective interest rate adjustment for being taken to Deferred Income as stated in Note No. 37(8)(xiii).

Notes forming part of the Consolidated Financial Statements

Note No. : 19 Borrowings *(Contd.)*

(ii) Current (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Carried at amortized cost				
Loans repayable on demand				
Working capital loans				
From banks				
Secured				
Rupee loans				
State Bank of India (SBI)	46889.20		66879.25	
HDFC Bank Ltd. (HDFC)	20000.72		12957.16	
Kotak Mahindra Bank Ltd. (KOTAK)	9255.44		5100.07	
ICICI Bank Ltd. (ICICI)	14723.84		68.46	
Bank of Baroda (BOB)	15000.00	105869.20	-	85004.94
Foreign currency loans				
Pre-shipment packing credit				
HDFC Bank Ltd. (HDFC)		-		4363.10
Other loans				
Working capital loans				
From banks				
Secured				
Rupee loans				
HDFC Bank Ltd. (HDFC)		-		38762.94
Foreign currency loans				
Post-shipment credit (Bill discounted with banks)				
HDFC Bank Ltd. (HDFC)	-		5674.92	
ICICI Bank Ltd. (ICICI)	-	-	5660.34	11335.26
		105869.20		139466.24
Summary of current borrowings				
Secured borrowings		105869.20		139466.24
Unsecured borrowings		-		-
		105869.20		139466.24

Nature of securities :

a) Working capital loans from SBI are secured / to be secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with HDFC, ICICI, Kotak and BOB.

ii) by way of exclusive hypothecation of entire current assets of all the Cogeneration units of the Company.

iii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar units of the Company on pari passu with HDFC.

During the year, Company has appointed Security Trustee for custody of the title deeds of immovable properties of all the ten sugar units of the Company. At present title deeds of eight sugar units has been handed over and accordingly charge has been created.

b) Working capital loans from HDFC are secured / to be secured (except as given in (c) below)

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with SBI, ICICI, Kotak and BOB.

ii) by way of third charge on immovable and movable properties (excluding current assets and book debts), both present and future, of all the ten sugar units of the Company on pari passu with SBI.

Notes forming part of the Consolidated Financial Statements

Note No. : 19 Borrowings *(Contd.)*

During the year, Company has appointed Security Trustee for custody of the title deeds of immovable properties of all the ten sugar units of the Company. At present title deeds of eight sugar units has been handed over and accordingly charge has been created.

c) Working Capital Loan from HDFC amounting to ₹ Nil (Previous Year: ₹ 38762.94 lacs) under the Scheme for extending Soft Loans to Sugar Mills by Central Government was secured by first charge, by way of hypothecation of movable fixed assets, both present and future, pertaining to nine sugar units of the Company viz. Balrampur, Babhnan, Tulsipur, Haidergarh, Akbarpur, Mankapur. Kumbhi, Gularia and Maizapur and was further secured by way of hypothecation of movable fixed assets, both present and future, pertaining to three distillery units of the Company viz. Balrampur, Babhnan and Mankapur. The said amount has been fully repaid during the year and charge has been duly satisfied.

d) Working capital loans from ICICI are secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with SBI, HDFC, Kotak and BOB.

e) Working capital loans from Kotak are secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with SBI, HDFC, ICICI and BOB.

f) Working capital loans from BOB are secured:

i) by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with SBI, HDFC, ICICI and Kotak.

Notes forming part of the Consolidated Financial Statements

Note No. : 20 Other financial liabilities (Carried at amortized cost)

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Interest accrued but not due on borrowings		-		153.09
		-		**153.09**

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Current maturities of long - term debt *		8336.53		6009.62
Current maturities of lease obligation		16.63		-
Interest accrued but not due on borrowings		660.97		502.51
Unpaid dividend @		193.56		165.44
Other payables				
Retention monies	1615.33		889.09	
Security deposits	1832.06		516.60	
Accrued expenses	188.23		160.10	
Unpaid salaries and other payroll dues	3568.33		3414.10	
Others	172.12	7376.07	163.48	5143.37
		16583.76		**11820.94**

* Refer Note No. 19 (a) and (b) for nature of securities and terms of repayment respectively.

@ There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note No. : 21 Deferred income

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Opening balance		3640.78		14.17
Add: Addition during the year [Refer foot note (xiii) of note no. 37(8)]		-		4051.19
Less: Transferred to the Statement of Profit and Loss		1190.38		424.58
[Refer Note No. 37(8) (h) and (i)]				
Closing balance		**2450.40**		**3640.78**
Current		982.59		1190.38
Non - Current		1467.81		2450.40
[Refer Note No. 37(8) for other disclosures]				

Notes forming part of the Consolidated Financial Statements

Note No. : 22 Provisions

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Provision for employee benefits - unavailed leave [Refer Note No. 37(9)]		672.10		528.45
		672.10		**528.45**

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Provision for employee benefits [Refer Note No. 37(9)]				
Unavailed leave	438.83		434.55	
Gratuity	1584.12	2022.95	137.41	571.96
Other provisions				
Provision for contingencies [Refer Note No. 37(2)]		0.42		0.42
		2023.37		**572.38**

Note No. : 23 Deferred tax liabilities (net)

As at 31st March, 2020

(₹ in Lacs)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Depreciation	27481.87	(5670.97)	-	-	21810.90
Investments	1196.84	208.37	-	(0.22)	1404.99
	28678.71	**(5462.60)**	**-**	**(0.22)**	**23215.89**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses/unabsorbed depreciation	231.81	(192.41)	-	-	39.40
Expenses allowable on payment basis	337.83	(164.69)	-	-	173.14
VRS expenses	28.64	(28.64)	-	-	-
MAT credit entitlement	19187.71	(237.12)	56.53	214.97	19222.09
	19785.99	**(622.86)**	**56.53**	**214.97**	**19434.63**
Net deferred tax liabilities / expense	**8892.72**	**(4839.74)**	**(56.53)**	**(215.19)**	**3781.26**

Notes forming part of the Consolidated Financial Statements

Note No. : 23 Deferred tax liabilities (net) *(Contd.)*

As at 31st March, 2019

(₹ in Lacs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Depreciation	27334.72	147.15	-	27481.87
Investments	1061.80	135.17	(0.13)	1196.84
	28396.52	**282.32**	**(0.13)**	**28678.71**
Tax effect of items constituting deferred tax assets				
Carried forward tax losses/unabsorbed depreciation	224.77	7.04	-	231.81
Expenses allowable on payment basis	299.06	38.77	-	337.83
VRS expenses	57.28	(28.64)	-	28.64
MAT credit entitlement	8565.95	10515.95	105.81	19187.71
	9147.06	**10533.12**	**105.81**	**19785.99**
Net deferred tax liabilities / expense	**19249.46**	**(10250.80)**	**(105.94)**	**8892.72**

The ultimate realisation of the deferred tax assets, carried forward losses and unused tax credits is dependent upon the generation of future taxable income. Deferred tax assets including MAT credit entitlement is recognised on management's assessment of reasonable certainty for reversal / utilisation thereof against future taxable income.

According to the provisions of section 115BAA of the Income Tax Act 1961, as announced by the Taxation Laws (Amendment) Ordinance 2019 and promulgated as the Taxation Laws (Amendment) Act, 2019 enacted on 11th December 2019 with effect from 1st April 2019, domestic companies have an option to pay income tax at 22% plus applicable surcharge and cess ("the concessional rate") by foregoing certain exemptions/ deductions ('the new tax regime') as specified in the said section.

Based on the assessment of the possible impact of the new tax regime, the Company has decided to continue with existing tax structure till certain deductions are available and accumulated Minimum Alternate Tax (MAT) credit is substantially exhausted and thereafter, to opt for new tax regime as stated above.

Accordingly, deferred tax liabilities (net) have been re-measured and the Company has recognized deferred tax income amounting to ₹ 7522.77 lacs (Previous Year: Nil) on account of the re-measurement of deferred tax liabilities that are expected to be reversed consequent to adoption of lower tax rate post switchover to the new tax regime.

Note No. : 24 Other Non-current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Deferred gain on changes in fair value of financial assets		-		35.93
		-		**35.93**

Notes forming part of the Consolidated Financial Statements

Note No. : 25 Trade and other payables

Current (₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Trade payables				
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 37(4)]		203.75		95.43
Total outstanding dues of creditors other than micro enterprises and small enterprises		66790.75		60529.44
		66994.50		**60624.87**
Other payables				
Payable to suppliers of capital goods				
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 37(4)]		8.67		29.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		792.01		1196.44
		800.68		**1225.52**
		67795.18		**61850.39**

Note No. : 26 Other Current liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Other advances				
Advances from customers		3216.45		469.12
Others				
Statutory liabilities	2371.49		2731.20	
Others [Refer Note No. 37(4)]	323.77	2695.26	352.09	3083.29
		5911.71		**3552.41**

Notes forming part of the Consolidated Financial Statements

Note No. : 27 Revenue from operations

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Sale of goods				
Domestic sales				
Sugar	365701.47		324572.10	
Industrial alcohol	54530.76		46324.88	
Power	16160.76		32801.46	
Bagasse	7270.67		5454.44	
Others	2594.85	446258.51	2301.42	411454.30
Export sales				
Sugar		-		16168.76
		446258.51		**427623.06**
Other operating revenue				
Government grants [Refer Note No. 37(8)]				
Insurance and storage charges on buffer stock	555.70		360.57	
Export incentive and assistance	27225.08		-	
Re-imbursement of transportation expenses for export	90.11	27870.89	593.88	954.45
Revenue from operations		**474129.40**		**428577.51**
[Refer Note No. 37(11) for other disclosures]				

Note No. : 28 Other income

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Interest income on financial assets carried at amortized cost				
Non-current investments				
Debentures	284.93		191.66	
National saving certificates	0.37		0.60	
	285.30		192.26	
Deposit with banks and others	15.34	300.64	23.75	216.01
Interest income on income tax refund		455.86		-
Gain on sale of highly liquid investments (treated as cash equivalent)		836.60		1317.57
Gain on deemed disposal of investment in associate		532.51		-
Government grants [Refer Note No. 37(8)]				
Amortized portion of deferred income		-		14.17
Other non-operating income				
Net gain on foreign currency transactions and translations	1.92		-	
Fair value gain on derivatives	-		773.24	
Insurance claims	237.11		100.44	
Liabilities no longer required written back	713.73		805.87	
Profit on sale/discard of property, plant and equipment (net)	476.28		-	
Recovery towards written off balances	4.84		3.58	
Provision for doubtful advances written back	6.00		-	
Provision for contingencies written back [Refer Note No. 37(2)]	-		0.21	
Storage fund for molasses written back [Refer Note No. 18 (vi)]	-		139.17	
Miscellaneous	821.69	2261.57	904.24	2726.75
		4387.18		**4274.50**

Notes forming part of the Consolidated Financial Statements

Note No. : 29 Cost of materials consumed

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Sugarcane*		344149.85		354036.80
Others		2265.96		5503.90
		346415.81		**359540.70**

* Refer Note No. 37(8) (b) and (c) for adjustments of government grants.

Note No. : 30 Changes in inventories of finished goods, by-products and work-in-progress

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Finished goods				
Opening stock				
Sugar	209249.90		151651.93	
Industrial alcohol	549.68		2884.21	
Banked power	81.29		67.12	
Others	6.34	209887.21	71.64	154674.90
Less : Closing stock				
Sugar	198648.63		209249.90	
Industrial alcohol	3716.67		549.68	
Banked power	168.78		81.29	
Others	73.00	202607.08	6.34	209887.21
Less: Power used during the trial run of capital projects		12.93		-
Decrease / (Increase) (A)		**7267.20**		**(55212.31)**
By-products				
Opening stock		5895.37		7493.94
Less : Closing stock		9759.90		5895.37
Less: Bagasse used during the trial run of capital projects		32.84		42.00
(Increase) / Decrease (B)		**(3897.37)**		**1556.57**
Work- in-progress				
Opening stock				
Sugar	3707.98		3511.47	
Molasses	317.82	4025.80	333.63	3845.10
Less : Closing stock				
Sugar	3319.55		3707.98	
Molasses	342.54	3662.09	317.82	4025.80
Decrease / (Increase) (C)		**363.71**		**(180.70)**
Decrease / (Increase) D = (A + B + C)		**3733.54**		**(53836.44)**

Notes forming part of the Consolidated Financial Statements

Note No. : 31 Employee benefits expense

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Salaries and wages		22547.21		20612.69
Contribution to provident, gratuity and other funds		2456.45		2163.42
Employee stock option expense [Refer Note No. 37(3)]		-		(9.49)
Staff welfare expense		399.90		279.17
		25403.56		23045.79
Less: Recovery towards deputation of employee		3.95		-
		25399.61		**23045.79**

Note No. : 32 Finance costs

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Interest				
On long term borrowings	1874.94		748.99	
On short term borrowings	4452.22		3152.22	
Others *	52.74	6379.90	145.04	4046.25
Other borrowing costs		37.12		47.26
		6417.02		**4093.51**
* Includes interest on statutory dues		4.33		2.71
* Includes interest on shortfall in payment of advance income-tax		21.94		133.86

Note No. : 33 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Depreciation and amortisation of property, plant and equipment [Refer Note No. 4]		10061.48		9484.56
Amortisation of intangible assets [Refer Note No. 5]		80.25		100.57
		10141.73		**9585.13**

Notes forming part of the Consolidated Financial Statements

Note No. : 34 Other expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Consumption of stores				
Process chemicals	2884.53		3343.76	
Others	258.28	3142.81	362.34	3706.10
Packing materials		3729.91		4520.87
Power and fuel		404.05		425.87
Rent		68.64		67.33
Repairs				
Buildings	320.36		473.60	
Machinery	6660.77		6019.96	
Others	187.67	7168.80	191.97	6685.53
Insurance		775.21		537.22
Rates and taxes (excluding taxes on income)		508.17		574.27
Commission to non-executive directors		92.20		79.50
Directors' fees		25.80		26.00
Payments to auditors				
As auditor for statutory audit	45.00		45.00	
For other services (Limited reviews and certifications)	21.00	66.00	15.20	60.20
Cost audit fees		3.50		3.50
Professional expenses #		606.75		5635.22
Freight and handling expenses		6100.01		2463.46
Brokerage and commission		587.25		494.18
Net loss on foreign currency transactions and translations		-		110.80
Charity and donation		20.36		13.03
Corporate social responsibility expense [Refer Note No. 37(6)]		1092.89		293.44
Miscellaneous expenses [Refer Note No. 37(8)(d)]		5477.03		4810.33
Loss on sale/discard of property, plant and equipment (net)		-		201.24
Claims receivable written off [Refer Foot Note (x) of Note No.37(8)]		262.94		-
Sundry debit balances/advances written off		196.59		63.74
Payment towards balances earlier written back		3.70		11.78
Transfer to storage fund for molasses		47.34		39.08
Provision for obsolescence /non-moving store and spares		3.56		97.36
		30383.51		**30920.05**
# Includes expenses incurred towards fulfilment of export obligation		153.41		5343.84

Notes forming part of the Consolidated Financial Statements

Note No. : 35 Tax expense

(₹ in Lacs)

Particulars		Year ended 31st March, 2020		Year ended 31st March, 2019	
Current tax			9710.33		12847.57
Deferred tax [Refer Note No. 23]			(4839.74)		(10250.80)
			4870.59		**2596.77**
Reconciliation of Tax Expense					
Profit before tax			56806.03		60178.75
Applicable tax rate (using the Company's tax rate)			34.944%		34.944%
Computed tax expense	(A)		**19850.30**		**21028.88**
Adjustments for:					
Expenses not allowed for tax purpose			270.16		138.15
Effect of tax deductions			(5940.48)		(7512.96)
Changes in recognized deductible temporary differences			(7460.30)		(247.50)
Effect of transition adjustment under MAT			(24.53)		(30.26)
Recognition of MAT credit			(1671.60)		(10700.87)
Share of profit in associates			(152.96)		(78.67)
Net adjustments	(B)		**(14979.71)**		**(18432.11)**
Tax Expense	C=(A+B)		**4870.59**		**2596.77**

Note No. : 36 Other comprehensive income

(₹ in Lacs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
Items that will not be reclassified to profit or loss				
Re-measurements of defined benefit plans	(1170.37)		(789.91)	
Equity Instruments through Other Comprehensive Income	72.57		-	
Share of Other Comprehensive Income in an associate, to the extent not to be classified into profit or loss	(0.96)	(1098.76)	(0.56)	(790.47)
Less: Income tax relating to items that will not be reclassified to profit or loss		409.20		276.16
		(689.56)		**(514.31)**

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities :

(₹ in Lacs)

Sl. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
(i)	Claims against the Company not acknowledged as debts :		
	- Excise duty demand - under appeal	-	167.00
	- Sales tax demand- under appeal	10.23	12.98
	- Others - under appeal/litigation	235.71	605.91
		245.94	**785.89**
(ii)	Claims for acquisition of 1.99 acres of land for the Distillery unit at Balrampur and compensation there against is under dispute as the matter is subjudice	Amount not ascertainable	Amount not ascertainable

Also refer Note No. 37(16) (b) for availment of remission of taxes and levies pending final decision at the Hon'ble Supreme Court on the matter.

The amounts shown in (i) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals/litigations.

(b) Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for

(₹ in Lacs)

Sl. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	984.86	16717.77
(ii)	Advance paid against above	70.26	2623.26

Other Commitment :

On 23rd June, 2020, the Board of Directors of the Company have approved the buyback of 1,00,00,000 fully paid-up equity shares of the face value of ₹ 1/- each of the Company at a price not exceeding ₹ 180/- per Equity share ("Maximum Buyback Price") and for an amount not exceeding ₹ 18000.00 Lacs ("Maximum Buyback Size") through the "Tender Offer" route using the stock exchange mechanism in the manner as prescribed in the Companies Act, 2013 and relevant rules thereunder and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

2. Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent liabilities and Contingent assets :

(a) Provision for contingencies

(i) Provisions for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other claims against the Company based on the Management's assessment.

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(ii) Movements in Provision for contingencies:

(₹ in Lacs)

Particulars	Litigation claims
Balance as at 1st April, 2019	0.42
Provided during the year	-
Balance as at 31st March, 2020	**0.42**
- Non-current	-
- Current	0.42
Balance as at 1st April, 2018	0.63
Reversed during the year upon final decision	0.21
Balance as at 31st March, 2019	**0.42**
- Non-current	-
- Current	0.42

It is not possible to estimate the timing/uncertainties relating to utilisation /reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals. The Company does not expect any reimbursement in respect of above provisions.

(b) Contingent assets

During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances. Also refer Note No. 37(16)(a) in this respect.

3. The Employee Stock Option Scheme 2005 (Scheme 2005) of the Company was formulated by the Committee of the Board of Directors of the Company and approved by the Board at its meeting held on 11th August, 2005 and 31st October, 2005 and by the shareholders at the Extraordinary General Meeting of the Company held on 8th September, 2005 and in accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 prescribed by the Securities and Exchange Board of India.

Options granted had vesting period of one year and exercise period of maximum eight years.

The maximum number of options granted till 31st March, 2019 stands at 52,45,500 and each option was equivalent to one equity share of par value of ₹ 1/- each of the Company.

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

The details of Options granted, lapsed and exercised as at 31st March, 2019 are as under :

Particulars	During Year ended 31st March, 2019	Cumulative Upto 31st March, 2019
Year of Issue	2008-09	Not Applicable
Series	5th Series	
Date of grant of Option	**28/05/2009**	
Initial exercise price (₹)	45.00	
Revised exercise price (₹)	Not applicable	
Market price on the date of grant (₹)	82.35	
Excess of initial exercise price over revised exercise price (₹)	Not applicable	
Excess of market price over exercise price/ revised exercise price (₹)	**37.35**	
Options vested (Nos.)		4593000
Outstanding at the beginning of the year (Nos.)	25500	5245500
Granted (Nos.)	-	-
Exercised (Nos.) *	-	4422500
Forfeited/Lapsed and expired (Nos.)	25500	823000
Outstanding at the end of the year (Nos.)	-	-
Exercisable at the end of the year (Nos.)	-	-
Money realised on exercise of Options (₹ in Lacs)	-	2014.29

* Includes 10,000 options which were exercised within 31st March, 2018 against which allotment of equity shares were made during the year ended 31st March, 2019.

Total Number of Options outstanding/exercisable as at 1st April, 2018 relating to 1st, 2nd, 3rd and 4th series is Nil. Therefore, in the above table related information has been excluded under during the year ended 31st March, 2019, however, included under cumulative upto 31st March, 2019.

Other information:

(a) Total number of equity shares arising as a result of exercise of Options as at 31st March, 2019 : 4422500 Options equivalent to 10,000 equity shares were exercised during the year ended 31st March, 2018, however, equity shares against the Options exercised were allotted during the year ended 31st March, 2019.

(b) Details of Options granted to :-

(i) Senior Managerial Personnel: No Options have been granted during the year ended 31st March, 2019;

(ii) Any other employee who receives a grant in any one year of Options amounting to 5% or more of Options granted during year ended 31st March, 2019 : Nil.

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

4. Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

As at 31st March, 2020: (₹ in Lacs)

Sl. No.	Particulars	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	203.75	8.67	212.42
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	1.97	1.30	3.27
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	4.97	0.03	5.00
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year**	4.97	0.03	5.00
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 25.

** Included in the line item "Others" under Note No. 26.

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

As at 31st March, 2019: (₹ in Lacs)

Sl. No.	Particulars	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	95.43	29.08	124.51
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	–	0.01	0.01
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	1.19	1.98	3.17
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.97	1.29	3.26
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year**	1.97	1.30	3.27
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	–	–	–

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 25.
** Included in the line item "Others" under Note No. 26.

5. During the year ended 31st March, 2020, the Company had undertaken a Buy Back of 8438327 equity shares of the Company, through the "Tender Offer" route using the Stock Exchange Mechanism, for an aggregate amount of ₹ 14767.07 Lacs (being 9.82% of the total paid-up equity share capital and free reserves of the Company as on 31st March, 2018), at a price of ₹ 175/- per equity share on a proportionate basis in accordance with the provisions contained in the Companies Act, 2013 (as amended), rules made thereunder, the SEBI (Buy Back of Securities) Regulations, 2018 and other applicable circulars, clarifications and notifications and the settlement in respect of share bought back have been completed on 4th June, 2019. Formalities pertaining to extinguishment of the shares bought back were completed on 10th June, 2019.

   Consequent to the said buy-back, the equity share capital has been reduced by ₹ 84.38 Lacs and an amount equivalent to the face value of the equity shares bought back has been transferred from Securities Premium to Capital Redemption Reserve and differential amount of ₹14682.69 Lacs with respect to aggregate consideration in excess of face value of the equity shares bought back has also been adjusted from Securities Premium.

6. Expenditure on Corporate Social Responsibility (CSR) activities :

   (a) Details of CSR expenditure: (₹ in Lacs)

Sl. No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
(i)	Gross amount required to be spent by the Company during the year	1092.67	772.16
(ii)	Amount spent during the year : i) Construction/acquisition of any asset - in cash - yet to be paid in cash	 – –	 27.75 –
	ii) On purposes other than (i) above - in cash - yet to be paid in cash	 1092.89 –	 265.69 –

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(b) CSR expenditure under relevant clauses of Schedule VII of the Act: (₹ in Lacs)

Sl. No.	Description of CSR activities	Year ended 31st March, 2020	Year ended 31st March, 2019
(i)	Promoting healthcare including preventive healthcare	75.43	34.73
(ii)	Eradicating hunger, poverty and malnutrition and sanitation and making available safe drinking water	490.03	2.55
(iii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects	207.10	191.23
(iv)	Setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	17.42	0.64
(v)	Animal welfare	22.41	0.72
(vi)	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	233.52	40.94
(vii)	Measures for the benefit of armed forces veterans, war widows and their dependents	–	5.00
(viii)	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports	29.15	12.15
(ix)	Rural development projects	3.17	2.43
(x)	Disaster Management	12.80	–
(xi)	Expenditure on administrative overheads	1.86	3.05
		1092.89	**293.44**

7. Earnings per share - The numerators and denominators used to calculate Basic / Diluted earnings per share :

Sl. No.	Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
(i)	Amount used as the numerator Profit after Tax (₹ in Lacs)	(A)	51935.44	57581.98
(ii)	Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share *	(B)	221613887	228437725
(iii)	Add: Weighted average number of dilutive potential equity shares on account of Employees Stock Option Scheme		–	–
(iv)	Weighted average number of equity shares outstanding used as the denominator for computing Diluted Earnings per share *	(C)	221613887	228437725
(v)	Nominal value of equity shares (₹)		1.00	1.00
(vi)	Basic Earnings per share (₹)	(A/B)	23.44	25.21
(vii)	Diluted Earnings per share (₹)	(A/C)	23.44	25.21

* The weighted average number of shares takes into account the weighted average effect of changes in number of shares due to buy back of shares during the year ended 31st March, 2020 and employee stock options during the year ended 31st March, 2019.

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

8. The Company is eligible to receive various financial assistance from government authorities. Accordingly, the Company has recognised these government grants in the following manner:

(₹ in Lacs)

Sl. No.	Particulars	Treatment in Accounts	Year ended 31st March, 2020	Year ended 31st March, 2019
(i)	Grants related to Income			
	Revenue related Government Grants:			
(a)	Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme (Refer footnote (i) below)	Deducted from Contribution to provident and other funds under Employee benefits expense	24.93	33.91
(b)	Cane purchase subsidy (Refer footnote (ii) below)	Deducted from cost of materials consumed	–	4930.98
(c)	Cane crush subsidy (Refer footnote (iii) and (iv) below)	Deducted from cost of materials consumed	1901.33	12722.14
(d)	Defraying expenditure towards internal transport, freight, handling and other charges on export (Refer footnote (v) and (vi) below)	(i) Deducted from Miscellaneous expenses under Other Expenses (ii) Shown as separate line item "Re-imbursement of transportation expenses for export" under Revenue from operations	1.77 90.11	4194.75 593.88
(e)	Towards marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar (Refer footnote (vii) below)	Shown as separate line item "Export incentive and assistance" under Revenue from Operations	27225.08	–
(f)	Financial support for maintaining buffer stock of sugar inventory (Refer footnote (viii) below)	(i) Shown as separate line item "Insurance and storage charges on buffer stock" under Revenue from Operations (ii) Deducted from interest expense on short term borrowings	555.70 3197.75	360.57 2053.01
(g)	Interest on term loans (Refer footnote (ix) (x) (xi) (xii) below) (Refer footnote (ix) below) (Refer footnote (xii) below)	(i) Deducted from interest expense on long term borrowings (ii) Deducted from interest expense on long term borrowings capitalised (iii) Deducted from interest expense on short term borrowings	125.98 20.47 2683.67	637.71 – 29.74
			35826.79	**25556.69**
	Amortization of Government Grants:			
(h)	Government grant relating to interest on term loans (Refer footnote (xiii) below)	Deducted from interest expense on long term borrowings	1190.38	410.41
(i)	Government grant relating to property, plant and equipment	Shown as separate line item "Deferred income" under Other Income	–	14.17
			1190.38	**424.58**
(ii)	Grants related to Assets			
	Government grant relating to property, plant and equipment	Adjusted with carrying amount of property, plant and equipment	-	1.83
			-	1.83
			37017.17	**25983.10**

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

Footnotes:

(i) The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme has been designed to incentivise employers for generation of new employment, where Government of India pays the 8.33% Employee Pension Scheme contribution of the employer for the new employment.

(ii) The Government of Uttar Pradesh pursuant to Notification No. 13/2018/1697/46-3-18-3(37)/2018 dated 1st October, 2018 notified a Scheme for assistance to sugar mills @ ₹ 4.50 per quintal of sugarcane purchased during sugar season 2017-18 with a view for timely clearance of sugarcane price and assist the millers from falling sugar and molasses prices. Accordingly, ₹ Nil (Previous Year: ₹ 4930.98 Lacs) was adjusted as reduction from the cost of materials consumed.

(iii) The Central Government pursuant to Notification No. 1(5)/2018-SP-I dated 9th May, 2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) had notified a Scheme for assistance to sugar mills @ ₹ 5.50 per quintal of sugarcane crushed during sugar season 2017-18 with a view of offset cost of sugarcane. Accordingly, ₹ Nil (Previous Year: ₹ 546.89 Lacs) was adjusted as reduction from the cost of materials consumed.

(iv) The Central Government pursuant to Notification No. 1(14)/2018-SP-I dated 5th October, 2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) had notified a Scheme for assistance to sugar mills @ ₹ 13.88 per quintal of sugarcane crushed during sugar season 2018-19 with a view to offset cost of sugarcane. Accordingly, ₹ 1901.33 Lacs (Previous Year: ₹ 12175.25 Lacs) has been adjusted as reduction from the cost of materials consumed.

(v) The Central Government pursuant to Notification No. 1(4)/2018-SP-I dated 28th September 2018 allocated factory-wise Minimum Indicative Export Quota (MIEQ) of 50 Lakh MT for export of sugar in sugar season 2018-19. The Company was allocated MIEQ of 1,80,160 MT as per the said Notification. The Notification required the mills to undertake exports allocated to them under MIEQ or 16.70 kg of sugar per MT of actual cane crushed by them during sugar season 2018-19, whichever is lower.

The Company has physically exported 75.20 MT (Previous Year: 1,66,701.80 MT) of raw /white sugar by way of direct exports and through merchant exporter.

(vi) The Central Government pursuant to Notification No. 1(14)/2018-S.P.-I dated 5th October, 2018 announced the Scheme for defraying expenditure towards internal transport, freight, handling and other charges on export with a view to facilitate export of sugar during sugar season 2018-19. Based on actual expenditure incurred by the Company on physical exports a sum of ₹ 1.77 Lacs (Previous Year : ₹ 4194.75 Lacs) has been deducted from Miscellaneous expenses under Other expenses. Further, a sum of ₹ 90.11 Lacs (Previous Year: ₹ 593.88 Lacs) has been shown under line item "Re-imbursement of transportation expenses for export" under Revenue from operations.

(vii) The Central Government pursuant to Notification No. 1(14)/2019-S.P.-I dated 16th September, 2019 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) allocated factory wise Maximum Admissible Export Quantity (MAEQ) for export of sugar for the sugar season 2019-20. The Company was allocated MAEQ quota of 2,29,225 MT as per the said Notification. Subsequently, pursuant to re-allocation of MAEQ quota of sugar for export during sugar season 2019-20 of non-performing mills vide Notification No. 1(14)/2019-S.P.-I dated 18th February 2020, the Company was allocated additional MAEQ quota of 85,115 MT.

The Company has physically moved for export 2,60,577 MT of raw /white sugar till 31st March 2020 by way of exports through merchant exporter.

The Central Government pursuant to Notification No. 1(14)/2019-S.P.-I dated 12th September, 2019, notifed a Scheme for providing assistance to sugar mills @ ₹ 10,448.00 per MT on export of sugar covering expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar with a view to facilitate export of sugar during sugar season 2019-20 thereby improving the liquidity position of sugar mills enabling them to clear cane price dues of farmers for sugar season 2019-20. Accordingly, ₹ 27225.08 Lacs has been shown under line item "Export Incentive and assistance " under Revenue from operations.

(viii) The Central Government pursuant to Notification No. 1(6)/2018-S.P.-I dated 15th June, 2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) announced a Scheme for Creation and Maintenance of Buffer Stock of 30 Lakh MT of sugar by the sugar mills in the country for one year w.e.f. 1st July, 2018 with a view to improve liquidity of the sugar industry; enabling sugar mills to clear cane price arrears of farmers and to stabilize domestic

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

sugar price. The Company was allocated 1,11,045 MT of buffer stock with respect to its ten sugar mills located in the State of Uttar Pradesh.

Similarly, the Central Government pursuant to Notification No. 1(8)/2019-S.P.-I dated 31st July, 2019 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) announced a Scheme for Creation and Maintenance of Buffer Stock of 40 Lakh MT of sugar by the sugar mills in the country for one year w.e.f. 1st August, 2019 with a view to improve liquidity of the sugar industry; enabling sugar mills to clear cane price arrears of farmers and to stabilize domestic sugar price. The Company was allocated 1,40,801 MT of buffer stock with respect to its ten sugar mills located in the State of Uttar Pradesh.

Accordingly, ₹ 3197.75 Lacs (Previous Year: ₹ 2053.01 Lacs) has been adjusted during the year ended 31st March 2020 as reduction in "Finance cost". Further, storage charges amounting to ₹ 555.70 Lacs (Previous Year: ₹ 360.57 Lacs) shown under line item "Insurance and storage charges on buffer stock" under Revenue from Operations.

(ix) The Central Government vide its Notification No. S.O. 3523 (E) dated 19th July, 2018 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) notified a scheme namely "Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity" with a view to increase production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programme, and thereby to improve the liquidity position of the sugar mills enabling them to clear cane price arrears of the farmers for which interest subvention @ 6% or 50% of rate of interest charged by banks (whichever is lower) would be borne by the Central Government for a tenure of 5 years from the date of disbursement of the loan.

Under the said scheme, HDFC Bank and ICICI Bank has disbursed Rupee Loan aggregating to ₹ 8024.00 Lacs and ₹ 5000.00 Lacs respectively, during the year ended 31st March, 2020 which has been utilized for setting up of 160 KLPD distillery at Gularia unit. Accordingly, ₹ 125.98 Lacs (Previous Year: ₹ Nil) has been adjusted with interest on long term borrowings. Further, a sum of ₹ 20.47 Lacs (Previous Year: ₹ Nil) has been adjusted with interest on long term borrowings capitalised.

(x) Pursuant to the Sugar Industry, Cogeneration and Distillery Promotion Policy, 2013 notified by the Government of Uttar Pradesh, the Company was eligible for re-imbursement @ 5% on the interest payable on the loans obtained from bank for setting up of new Co-Generation unit at Kumbhi Unit. Accordingly, ₹ Nil (Previous Year: ₹ 109.17 Lacs) has been adjusted with interest on long term borrowings.

During, the year ended 31st March, 2020, the Company has received ₹ 61.27 Lacs as full and final settlement of total interest subvention claim as against the outstanding claims receivable amounting to ₹ 324.21 Lacs as at 31st March, 2019.

Accordingly, the Company has written off the balance amount of claims receivable aggregating to ₹ 262.94 Lacs (Previous Year: ₹ Nil).

(xi) The Central Government vide its Notification No. 20-90/2013-S.P.-II dated 3rd January, 2014 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) notified a Scheme for extending financial assistance to sugar undertakings ("SEFASU 2014") with a view to improve the liquidity position of sugar factories to clear cane price arrears of previous sugar seasons and timely settlement of cane price of sugar season 2013-14 relating to the Fair and Remunerative Price (FRP), the Company was eligible for interest subvention upto 12% or at actual rate charged by the banks, whichever was lower. Accordingly, ₹ Nil (Previous Year: ₹ 528.54 Lacs) has been adjusted with interest on long term borrowings.

(xii) The Central Government vide its Notification No. 1(4)/2019-S.P.-I dated 2nd March, 2019 issued by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) notified a Scheme for extending soft loan to sugar mills with a view to facilitate payment of cane price dues of farmers for the Sugar Season 2018-19 relating to the Fair and Remunerative (FRP) of sugarcane fixed by the Central Government for which interest subvention @ 7% would be borne by the Central Government for a tenure of 1 year from the date of disbursement of the loan.

Under the said scheme, during the year ended 31st March 2019, HDFC Bank disbursed Rupee Loan aggregating to ₹ 38762.94 Lacs which was utilized for clearance of sugarcane price for sugar season 2018-19 as per the scheme. Accordingly, ₹ 2683.67 Lacs (Previous Year: ₹ 29.74 Lacs) has been adjusted with interest on short term borrowings.

(xiii) The Government of Uttar Pradesh vide its Order No. - 12/2018/1698 / 46-3-18-3 (36-A) / 2018 dated 28th September, 2018 notified a scheme for assistance to sugar mills under the Scheme for Extending Financial Assistance to Sugar Undertakings-2018

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

("SEFASU 2018"), for the purpose of clearance of sugarcane price for sugar season 2016-17 and 2017-18 as per the State Advised Price of sugarcane fixed by the State Government.

Under the said scheme, during the year ended 31st March 2019, the State Government extended Rupee term loan to the Company through ICICI Bank @ 5% p.a. interest for a period of 5 years aggregating to ₹ 36508.11 Lacs which was utilized for clearance of sugarcane price for sugar season 2017-18 as per the scheme.

Pursuant to the requirements of Ind AS 20– "Accounting for Government Grants and Disclosure of Government Assistance" and Ind AS 109 – "Financial Instruments", ₹ 4051.19 Lacs was accounted for during the year ended 31st March, 2019 and included under Note No. 21 - "Deferred income". Accordingly, proportionate income amounting to ₹ 1190.38 Lacs (Previous Year: ₹ 410.41 Lacs) has been adjusted with interest on long term borrowings.

9. Employee Benefits :

As per Ind AS - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined Contribution Plan :

Employee benefits in the form of Provident Fund are considered as defined contribution plan.

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

(₹ in Lacs)

Defined Contribution Plan	Year ended 31st March, 2020	Year ended 31st March, 2019
Employer's Contribution to Provident Fund	1098.49	947.24
Employer's Contribution to Pension Scheme	745.34	713.21

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of continuance service is entitled to the same. The gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits depends on the member's length of service and salary at the time of cessation of the employment contract with the Company. The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for its administration. The Company contributes ascertained liabilities towards gratuity to trust.

The following tables summarizes the components of net benefit expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in the consolidated balance sheet for the said plan:

(a) Details of funded post retirement plans are as follows : (₹ in Lacs)

Sl. No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
I.	Expenses recognised in the Statement of Profit and Loss:		
1	Current service cost	512.32	458.82
2	Net interest on the net defined benefit liability/asset	1.43	(40.17)
3	Expense recognised in the Statement of Profit and Loss	513.75	418.65

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(₹ in Lacs)

Sl. No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
II.	**Other comprehensive income**		
1	Actuarial gain / (loss) arising from:		
	- change in financial assumptions	551.20	(55.04)
	- changes in experience adjustments	322.23	811.61
2	(Returns)/loss on plan assets excluding amounts included in interest income	296.94	33.34
3	Components of defined benefit costs recognised in Other comprehensive income	1170.37	789.91
III.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	6106.16	4912.87
2	Interest expense	445.10	354.35
3	Current service cost	512.32	458.82
4	Benefits paid	499.45	376.45
5	Actuarial gain / (loss) arising from:		
	- changes in financial assumptions	551.20	(55.04)
	- changes in experience adjustments	322.23	811.61
6	Present value of Defined Benefit Obligation at the end of the year	7437.56	6106.16
IV.	**Change in fair value of plan assets during the year :**		
1	Plan assets at the beginning of the year	5968.75	4912.87
2	Interest income	443.67	394.52
3	Employers' contributions	237.41	1071.15
4	Benefits paid	499.45	376.45
5	Re-measurement (Returns on plan assets excluding amounts included in interest income)	296.94	33.34
6	Fair Value of Plan Assets at the end of the year	5853.44	5968.75
V.	**Net Asset / (Liability) recognised in the Consolidated Balance Sheet as at the year end:**		
1	Present value of Defined Benefit Obligation	7437.56	6106.16
2	Fair value of Plan Assets	5853.44	5968.75
3	Funded Status [Surplus/(Deficit)]	(1584.12)	(137.41)
4	Net Asset / (Liability) recognised in consolidated balance sheet	(1584.12)	(137.41)
	- Current Liability (Short term)	(1584.12)	(137.41)
	- Non-Current Liability (Long term)	-	-
VI.	**Actuarial Assumptions :**		
1	Discount Rate (per annum) %	6.75%	7.60%
2	Expected return on Plan Assets (per annum) %	6.75%	7.60%
3	Expected Rate of Salary increase %	6.00%	6.00%
4	Retirement/Superannuation Age (Year)	60	60
5	Mortality Rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

Sl. No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
VII.	**Major Category of Plan Assets as a % of the Total Plan Assets as at the year end :**		
1	Administered by Insurance Companies	99.93%	99.94%
2	Others (Cash and cash equivalents)	0.07%	0.06%
VIII.	**Maturity Profile of Defined Benefit Obligation**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	336.65	371.71
	Between 2 and 5 years	1915.66	1732.22
	Between 5 and 10 years	5605.69	4853.25
	Total expected payments	7858.00	6957.18
	The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	10	9
IX.	**Sensitivity analysis on Present value of Defined Benefit Obligations:**		
	Discount rates		
	0.50% Increase	(4.50)%	(4.00)%
	0.50% Decrease	5.00%	5.00%
	Expected rates of salary increases		
	0.50% Increase	5.00%	5.00%
	0.50% Decrease	(4.50)%	(4.50)%

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

X. The history of funded post retirement plans are as follows : (₹ in Lacs)

	Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
	Present value of Defined Benefit Obligation	7437.56	6106.16	4912.87	4135.70	3327.08
	Fair value of Plan Assets	5853.44	5968.75	4912.87	4135.70	3327.08

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(b) Details of unfunded post retirement obligations are as follows: (₹ in Lacs)

Sl. No.	Particulars	Leave Encashment (Unfunded)	
		Year ended 31st March, 2020	Year ended 31st March, 2019
I.	**Components of employer expense :**		
1	Current service cost	41.46	42.73
2	Interest cost	38.58	28.99
3	Actuarial (gain) /loss recognised in the year	153.72	141.11
4	Expense recognised in the Statement of Profit and Loss	233.76	212.83
II.	**Change in present value of obligation :**		
1	Present value of obligation at the beginning of the year	552.48	433.41
2	Interest cost	38.58	28.99
3	Current service cost	41.46	42.73
4	Benefits paid	89.58	93.76
5	Actuarial (gain) /loss recognised in the year	153.72	141.11
6	Present value of obligation at the end of the year	696.66	552.48
III.	**Net Asset / (Liability) recognised in the Consolidated Balance Sheet as at the year end:**		
1	Present value of defined benefit obligation	696.66	552.48
2	Fair value of plan assets	-	-
3	Funded status [Surplus/(Deficit)]	(696.66)	(552.48)
4	Net Asset / (Liability) recognised in consolidated balance sheet	(696.66)	(552.48)
IV.	**Actuarial Assumptions :**		
1	Discount Rate (per annum) %	6.75%	7.60%
2	Expected rate of Salary increase %	6.00%	6.00%
3	Retirement/Superannuation Age (Year)	60	60
4	Mortality Rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
V.	**Maturity Profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	25.37	24.93
	Between 2 and 5 years	133.64	90.82
	Between 5 and 10 years	393.64	244.50
	Total expected payments	552.65	360.25

(c) **Risks related to defined benefit plans:**

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

(i) **Mortality risk:**

The assumptions adopted by the Company make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increases the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(ii) **Market and liquidity risks:**
These are the risks that the investments do not meet the expected returns over the medium to long term. This also encompasses the mismatch between assets and liabilities. In order to minimise the risks, the structure of the portfolios is reviewed and asset-liability matching analysis are performed on a regular basis.

(d) **Asset - liability management and funding arrangements**
The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

(e) **Other disclosures :**

(i) Following are the assumptions used to determine the benefit obligation:

Discount rate:
The yield of government bonds are considered as the discount rate. The tenure has been considered taking into account the past long term trend of employees' average remaining service life which reflects the average estimated term of the post - employment benefit obligations.

Rate of escalation in salary :
The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. Rate of return on plan assets:

Rate of return for the year was the average yield of the portfolio in which Company's plan assets are invested over a tenure equivalent to the entire life of the related obligation.

Attrition rate :
Attrition rate considered is the management's estimate based on the past long- term trend of employee turnover in the Company.

(ii) The Gratuity and Provident Fund expenses have been recognised under " Contribution to provident, gratuity and other funds" and Leave Encashment under Salaries and Wages under Note No. 31 - Employee benefits expense.

10. Related party disclosures :

(a) **Name of the related parties and description of relationship :-**

(i) **Associate Companies :** (Significant influence can be exercised)	:	1. Visual Percept Solar Projects Pvt. Ltd. (VPSPPL)
	:	2. Auxilo Finserve Pvt. Ltd. (AFPL)
(ii) **Key Managerial Personnel** (KMP):	:	1. Shri Vivek Saraogi - Managing Director
	:	2. Dr. Arvind Krishna Saxena - Whole-time Director
(iii) **Other related parties:**		
Close members of family of KMP :		
Shri Vivek Saraogi	:	1. Shri K.N.Saraogi - Father
	:	2. Smt. Sumedha Saraogi - Wife
	:	3. Late Karan Saraogi - Son (deceased on 20th June 2019)
	:	4. Smt. Avantika Saraogi - Daughter
	:	5. Smt. Stuti Dhanuka - Sister
Significant influence entities:	:	1. Meenakshi Mercantiles Ltd.
	:	2. Udaipur Cotton Mills Co. Ltd.
	:	3. Novel Suppliers Pvt. Ltd.
	:	4. Kamal Nayan Saraogi (HUF)
	:	5. Vivek Saraogi (HUF)
	:	6. The Balrampur Sugar Company Limited Employees Gratuity Fund

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(b) Transactions with Related parties : (₹ in Lacs)

	Nature of transaction / Name of the related party	Associates	Significant influence entities	Key Managerial Personnel (KMP)	Close members of family of KMP	Total
(i)	Compensation/Remuneration of KMP					
	Shri Vivek Saraogi	-	-	636.43	-	636.43
		(-)	(-)	(645.30)	(-)	(645.30)
	Dr. Arvind Krishna Saxena	-	-	31.52	-	31.52
		(-)	(-)	(29.02)	(-)	(29.02)
(ii)	Investment in equity shares					
	Auxilo Finserve Pvt. Ltd.	8250.00	-	-	-	8250.00
		(3750.00)	(-)	(-)	(-)	(3750.00)
(iii)	Redemption of Investment in debentures (at amortized cost)					
	Visual Percept Solar Projects Pvt. Ltd.	1646.05	-	-	-	1646.05
		(-)	(-)	(-)	(-)	(-)
(iv)	Interest income (at amortized cost)					
	Visual Percept Solar Projects Pvt. Ltd.	284.93	-	-	-	284.93
		(191.66)	(-)	(-)	(-)	(191.66)
(v)	Recovery towards deputation of employee					
	Visual Percept Solar Projects Pvt. Ltd.	3.95	-	-	-	3.95
		(-)	(-)	(-)	(-)	(-)
(vi)	Contribution to employees defined benefit plan					
	The Balrampur Sugar Company Limited Employees Gratuity Fund	-	1684.12	-	-	1684.12
		(-)	(1208.56)	(-)	(-)	(1208.56)
(vii)	Interim dividend paid to equity shareholders					
	Shri Vivek Saraogi	-	-	861.73	-	861.73
		(-)	(-)	(892.00)	(-)	(892.00)
	Dr. Arvind Krishna Saxena	-	-	0.39	-	0.39
		(-)	(-)	(0.41)	(-)	(0.41)
	Smt. Sumedha Saraogi	-	-	-	633.18	633.18
		(-)	(-)	(-)	(229.15)	(229.15)
	Late Karan Saraogi	-	-	-	-	-
		(-)	(-)	(-)	(426.32)	(426.32)
	Smt. Avantika Saraogi	-	-	-	83.49	83.49
		(-)	(-)	(-)	(86.81)	(86.81)
	Smt. Stuti Dhanuka	-	-	-	112.14	112.14
		(-)	(-)	(-)	(116.46)	(116.46)

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(₹ in Lacs)

	Nature of transaction / Name of the related party	Associates	Significant influence entities	Key Managerial Personnel (KMP)	Close members of family of KMP	Total
	Meenakshi Mercantiles Ltd.	-	169.30	-	-	169.30
		(-)	(175.21)	(-)	(-)	(175.21)
	Udaipur Cotton Mills Co. Ltd.	-	148.55	-	-	148.55
		(-)	(153.73)	(-)	(-)	(153.73)
	Novel Suppliers Pvt. Ltd.	-	70.23	-	-	70.23
		(-)	(72.68)	(-)	(-)	(72.68)
	Kamal Nayan Saraogi (HUF)	-	178.05	-	-	178.05
		(-)	(184.26)	(-)	(-)	(184.26)
	Vivek Saraogi (HUF)	-	3.85	-	-	3.85
		(-)	(3.99)	(-)	(-)	(3.99)
(viii)	Amount paid upon buyback of equity shares					
	Shri Vivek Saraogi	-	-	2118.96	-	2118.96
		(-)	(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena	-	-	1.21	-	1.21
		(-)	(-)	(-)	(-)	(-)
	Smt. Sumedha Saraogi	-	-	-	554.67	554.67
		(-)	(-)	(-)	(-)	(-)
	Late Karan Saraogi	-	-	-	1006.10	1006.10
		(-)	(-)	(-)	(-)	(-)
	Smt. Avantika Saraogi	-	-	-	232.63	232.63
		(-)	(-)	(-)	(-)	(-)
	Smt. Stuti Dhanuka	-	-	-	302.62	302.62
		(-)	(-)	(-)	(-)	(-)
	Meenakshi Mercantiles Ltd.	-	413.48	-	-	413.48
		(-)	(-)	(-)	(-)	(-)
	Udaipur Cotton Mills Co. Ltd.	-	362.80	-	-	362.80
		(-)	(-)	(-)	(-)	(-)
	Novel Suppliers Pvt. Ltd.	-	171.51	-	-	171.51
		(-)	(-)	(-)	(-)	(-)
	Kamal Nayan Saraogi (HUF)	-	434.85	-	-	434.85
		(-)	(-)	(-)	(-)	(-)
	Vivek Saraogi (HUF)	-	9.40	-	-	9.40
		(-)	(-)	(-)	(-)	(-)

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(₹ in Lacs)

	Nature of transaction / Name of the related party	Associates	Significant influence entities	Key Managerial Personnel (KMP)	Close members of family of KMP	Total
(ix)	Balance Outstanding:					
	Investment in debentures (at amortized cost)	564.58	-	-	-	564.58
		(2210.63)	(-)	(-)	(-)	(2210.63)
	Remuneration payable	-	-	360.00	-	360.00
		(-)	(-)	(360.00)	(-)	(360.00)
	Contribution to employees defined benefit plan	-	1584.12	-	-	1584.12
		(-)	(137.41)	(-)	(-)	(137.41)

Figures in brackets pertain to previous year.

(c) Details of Remuneration paid/payable to KMP: (₹ in Lacs)

Particulars	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Shri Vivek Saraogi	Dr. Arvind Krishna Saxena	Total	Shri Vivek Saraogi	Dr. Arvind Krishna Saxena	Total
Short-term employee benefits						
- Salary	240.00	25.10	265.10	240.00	23.09	263.09
- Commission	360.00	-	360.00	360.00	-	360.00
- Perquisites	7.63	3.83	11.46	16.50	3.55	20.05
	607.63	28.93	636.56	616.50	26.64	643.14
Post-employment benefits						
- Contribution to Provident Fund	28.80	2.59	31.39	28.80	2.38	31.18
	636.43	31.52	667.95	645.30	29.02	674.32

The above remuneration does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.

(d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

(e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provision for bad or doubtful debts has been recognised in current year and previous year in respect of the amounts owed by related parties.

(f) The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

11. Revenue

(i) The disclosures pertaining to disaggregation of revenue and performance obligation in terms of Ind AS 115 - Revenue from contracts

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

with customers are as follows:

(a) Sugar

The Sugar segment of the Company principally generates revenue from manufacturing and sale of sugar and its by-products, such as molasses, bagasse, pressmud. Domestic sales of sugar is made on ex-factory terms/agreed terms to wholesale/institutional buyers/merchant exporters within the country. Domestic sugar sales is majorly done on advance payment terms.

Export sales of sugar to merchant exporters are done on ex-factory /delivered basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyers' specific location (as per agreed terms). The sale price is fixed as per contracted terms and payments terms.

Molasses are sold to customers on ex-factory /delivered basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyer. The sale price is fixed as per contracted terms and payments terms is determined as per Company's credit policy which is up-to 60 days.

Bagasse and pressmud are sold generally on advance payment terms to customers on ex-factory basis in terms of the agreement and revenue is recognised when the goods have been shipped to / delivered to the buyer.

(b) Co-generation

The co-generation segment of the Company principally generates revenue from sale of power to distribution companies.

Power is supplied to distribution companies from the Company's facility in accordance with the sale price, payment terms and other conditions as per the Power Purchase Agreements ("PPA").

(c) Distillery

The distillery segment of the Company principally generates revenue from sale of industrial alcohol which mainly constitutes ethanol sold under contracts with Oil Marketing Companies ("OMCs") and other products to institutional buyers.

For sale of ethanol under contracts with OMCs, sale price is pre-determined based on Expression of Interest ("EOI")/TENDER floated from OMC's. The prices are on delivered cost basis at OMC's locations inclusive of all duties / levies / taxes/ charges etc. Payment terms is within 21 days after delivery of material and submission of original invoices.

Other products like Rectified Spirit, ENA, SDS etc. are sold on bulk basis to institutional buyers on Ex-factory/ Delivered cost basis as per agreed terms. Revenue is recognised when goods have been shipped to the buyers' specific location as per agreed terms (as the case may be). The payments terms are fixed as per Company's credit policy which is up-to 45 days.

(d) Others

Other segment principally generates revenue from sale of agricultural fertilizers such as soil conditioner, granulated potash etc.

Agricultural fertilizers such as soil conditioner, granulated potash etc. are sold to customers on ex-factory/ delivered cost basis as per agreed terms. Revenue is recognised when the goods have been shipped to the buyers' specific location as per agreed terms (as the case may be). The payments terms are fixed as per Company's credit policy which is up-to 60 days.

(ii) Disaggregated revenue information have been given along with segment information [Refer Note No. 37(12)(c)].

12. Segment information

(a) The Managing Director has been identified as the Company's chief operating decision-maker (CODM) as defined by Ind AS 108 – Operating Segments. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by Business segments. The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed. No operating segments have been aggregated in arriving at the Business Segment of the Company.

Management has determined the operating segments based on the information reviewed by the CODM for the purpose of allocating resources and assessing performance. The Company has identified three business segments viz. Sugar, Co-generation and Distillery and presented the same in the financial statements on a consistent basis. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as " Unallocable".

(b) The following is an analysis of revenue and results from operations by reportable segments: (₹ in Lacs)

Particulars	Sugar	Co-generation	Distillery	Others	Unallocable	Adjustments / Elimination	Total
Revenue							
External Sales	373758.86	16473.81	54908.67	1117.17	-	-	**446258.51**
	(346965.77)	(33104.67)	(46769.84)	(782.78)	(-)	(-)	(427623.06)
Inter Segment Sales	49680.87	28576.09	0.05	47.49	-	(78304.50)	-
	(34238.55)	(28477.86)	(-)	(19.97)	(-)	(-)(62736.38)	(-)
Other operating revenue	27870.89	-	-	-	-	-	**27870.89**
	(954.45)	(-)	(-)	(-)	(-)	(-)	(954.45)
Revenue from operations	451310.62	45049.90	54908.72	1164.66	-	(78304.50)	**474129.40**
	(382158.77)	(61582.53)	(46769.84)	(802.75)	(-)	(-)(62736.38)	(428577.51)
Segment profit	34422.17	4754.53	26146.40	518.77	-	-	**65841.87**
	(16616.65)	(17858.35)	(31652.51)	(284.59)	(-)	(-)	(66412.10)
Unallocable expenditure net of unallocable income					4155.99		**4155.99**
					(3031.33)		(3031.33)
Interest income							**756.50**
							(216.01)
Finance costs							**6417.02**
							(4093.51)
Profit before share of profit of associates and tax							**56025.36**
							(59503.27)
Share of profit of associates							**780.67**
							(675.48)
Profit before tax							**56806.03**
							(60178.75)
Tax							
Current tax							**9710.33**
							(12847.57)
Deferred tax							**(4839.74)**
							(-)(10250.80)
Profit after tax							**51935.44**
							(57581.98)

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

Footnotes:

(i) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at Company level. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at Company level. Capital expenditure consists of additions to property, plant and equipment, capital work in progress and intangible assets.

(ii) Transactions between segments are primarily transferred at cost/market determined prices. Common costs are apportioned on a reasonable basis.

(iii) Uttar Pradesh Electricity Regulatory Commission vide notification dated 25th July, 2019 reduced the power purchase rates of bagasse based power plants w.e.f. 1st April, 2019 and revenue in this respect has accordingly been recognised at such reduced rates. The Uttar Pradesh Co-gen Association has filed a writ petition, challenging the reduction in power rates before Hon'ble High Court at Allahabad which has been admitted and is pending for decision as on this date.

(iv) Figures in brackets pertain to previous year.

(c) In the following table, revenue is disaggregated by geographical market, major products/service lines and timing of revenue recognition which also includes a reconciliation of the disaggregated revenue with the Company's three strategic divisions, which are its reportable segments.

(₹ in Lacs)

Particulars	Sugar		Co-generation	Distillery	Total reportable segment	All other Segment	Total
	Domestic	Export	Domestic	Domestic			
Geographical markets							
Within India	**318890.46**	-	**16473.81**	**54908.67**	**390272.94**	**1117.17**	**391390.11**
	(311553.05)	(-)	(33104.67)	(46769.84)	(391427.56)	(782.78)	(392210.34)
Within India to merchant exporter	**54868.40**	-	-	-	**54868.40**	-	**54868.40**
	(19243.96)	(-)	(-)	(-)	(19243.96)	(-)	(19243.96)
Within India to Special	-	-	-	-	-	-	-
Economic Zone	(-)	(16168.76)	(-)	(-)	(16168.76)	(-)	(16168.76)
Total	**373758.86**	-	**16473.81**	**54908.67**	**445141.34**	**1117.17**	**446258.51**
	(330797.01)	(16168.76)	(33104.67)	(46769.84)	(426840.28)	(782.78)	(427623.06)
Major product							
Sugar	**333734.50**	-	-	-	**333734.50**	-	**333734.50**
	(305328.14)	(11473.10)	(-)	(-)	(316801.24)	(-)	(316801.24)
Raw Sugar	**31966.97**	-	-	-	**31966.97**	-	**31966.97**
	(19243.96)	(4695.66)	(-)	(-)	(23939.62)	(-)	(23939.62)
Industrial alcohol	-	-	-	**54530.76**	**54530.76**	-	**54530.76**
	(-)	(-)	(-)	(46324.88)	(46324.88)	(-)	(46324.88)
Power	-	-	**16160.76**	-	**16160.76**	-	**16160.76**
	(-)	(-)	(32801.46)	(-)	(32801.46)	(-)	(32801.46)
Bagasse	**7270.67**	-	-	-	**7270.67**	-	**7270.67**
	(5454.44)	(-)	(-)	(-)	(5454.44)	(-)	(5454.44)
Others	**786.72**	-	**313.05**	**377.91**	**1477.68**	**1117.17**	**2594.85**
	(770.47)	(-)	(303.21)	(444.96)	(1518.64)	(782.78)	(2301.42)
Total	**373758.86**	-	**16473.81**	**54908.67**	**445141.34**	**1117.17**	**446258.51**
	(330797.01)	(16168.76)	(33104.67)	(46769.84)	(426840.28)	(782.78)	(427623.06)

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(₹ in Lacs)

Particulars	Sugar		Co-generation	Distillery	Total reportable segment	All other Segment	Total
	Domestic	Export	Domestic	Domestic			
Timing of revenue recognition							
Products and services transferred at a point in time	373758.86	-	16473.81	54908.67	445141.34	1117.17	446258.51
	(330797.01)	(16168.76)	(33104.67)	(46769.84)	(426840.28)	(782.78)	(427623.06)
Products and services transferred over time	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	373758.86	-	16473.81	54908.67	445141.34	1117.17	446258.51
	(330797.01)	(16168.76)	(33104.67)	(46769.84)	(426840.28)	(782.78)	(427623.06)

Figures in brackets pertain to previous year.

(d) Other information

(₹ in Lacs)

Particulars	Sugar	Co-generation	Distillery	Others	Unallocable	Adjustments / Elimination	Total
Segment assets	325990.96	76116.12	42621.65	1575.10	34378.74	-	480682.57
	(337597.83)	(83246.99)	(23116.07)	(1151.31)	(25104.75)	(-)	(470216.95)
Segment liabilities	81018.70	1653.02	2279.85	171.75	153989.78	-	239113.10
	(70989.59)	(1659.94)	(1543.04)	(162.01)	(184083.27)	(-)	(258437.85)
Capital expenditure *	6251.59	8042.10	11997.80	495.06	1045.26	-	27831.81
	(3183.96)	(4797.50)	(2351.10)	(574.26)	(414.02)	(-)	(11320.84)
Depreciation and amortisation	5015.43	3500.25	1293.47	45.54	287.04	-	10141.73
	(4977.45)	(3254.85)	(1064.60)	(16.49)	(271.74)	(-)	(9585.13)
Non cash expenses other than depreciation and amortisation	68.14	431.36	10.26	-	0.67	-	510.43
	(271.98)	(211.92)	(18.31)	(-)	(9.95)	(-)	(512.16)
Investment in associates	-	-	-	-	23873.85	-	23873.85
	(-)	(-)	(-)	(-)	(14311.63)	(-)	(14311.63)
Gain on deemed disposal of investment in an associate	-	-	-	-	532.51	-	532.51
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Share of profit of associates (including other comprehensive income)	-	-	-	-	598.06	-	598.06
	(-)	(-)	(-)	(-)	(517.69)	(-)	(517.69)

*Includes depreciation, interest and other borrowing costs capitalised.

Note:

Figures in brackets pertain to previous year.

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(e) **Geographical information:**

Refer Note No. 37(12) (c) above for disclosures relating to revenue disaggregated by geographical market.

(f) **Information about major customers:**

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2020 and 31st March, 2019.

13. The Company has adopted Ind AS 116 'Leases' with effect from 1st April, 2019 and applied the Standard to lease contracts existing on 1st April, 2019 using the modified retrospective method , and therefore, comparatives for the year ended 31st March, 2019 have not been restated.

Consequent to this, such assets have been recognised as "Right-of-use" assets and have been amortized over the term of the lease. Further, finance cost in respect of corresponding lease liabilities has been measured and considered in these consolidated financial statements.

The Company's lease asset class primarily consist of leases for land. The Company has entered into various agreements in respect of land under lease arrangements. The lease agreements include renewal and escalation clause and do not provide the Company a right to sub-lease. For most of the lease agreements, original lease term is 30 years subject to maximum of 90 years from the date of inception.

The following is the summary of practical expedients elected on initial application:

(i) Applied the practical expedient to the transactions previously identified as leases under Ind AS 17.

(ii) Applied the exemption not to recognize Right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

Pursuant to the said transition, the Company has re-classified its leased assets as Right-of-use ("ROU") assets. Disposals / deductions / adjustments during the year ended 31st March 2020 as shown under Note No. 4 – Property, plant and equipment include reclassification with respect to Right-of-use asset with corresponding increase of such assets being shown under Additions / reclassification during the year.

Depreciation charge for Right-of-use assets is included under depreciation and amortization expense in the Consolidated Statement of Profit and Loss.

Further, to above, the Company has certain lease arrangement on short term basis, expenditure on which has been recognised under line item "Rent" under Other expenses.

The effect of adoption of Ind AS 116 'Leases' is not material on the profit before tax, profit for the year and earnings per share.

The details of the contractual maturities of lease liabilities as at 31st March, 2020 on an undiscounted basis have been disclosed under Note No. 37(20)(c).

Movement in lease liabilities :

Particulars	(₹ in Lacs)
Balance as at 1st April, 2019	-
Addition to lease liabilities	232.39
Finance cost accrued during the year	16.31
Payment of lease liabilities	8.32
Balance as at 31st March, 2020	**240.38**
- Non-current	223.75
- Current	16.63

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

14. **Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company has neither given any loan nor has advanced any amount either during the year ended 31st March, 2020 or year ended 31st March, 2019. Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

15. **Details of Investments covered under section 186 (4) of the Companies Act, 2013 :**

Details of investments made are given under the respective note.

16. (a) The Hon'ble High Court at Allahabad, Lucknow Bench, vide its order dated 12th February, 2019 ("Order") had quashed the G.O. dated 4th June, 2007, vide which the Sugar Industry Promotion Policy 2004 ("SIPP") was withdrawn, and held that the petitioner companies were entitled for all the benefits for the entire period of the validity of SIPP . Consequent to this, the Company in respect of its capital projects and expansions during the period from 2004 to 2008 is entitled for capital subsidy, reimbursement of certain expenses, remission of certain taxes and levies in accordance with the provision of the said policy.

The State Government of UP and others have filed Special Leave Petitions challenging the said Order before the Hon'ble Supreme Court of India and the cases are pending for hearing as on 31st March, 2020. Pending this, the Company's claim for reimbursement of ₹ 33654.94 Lacs and capital subsidy of ₹ 13137.77 Lacs pursuant to SIPP being contingent in nature, has not been recognised.

(b) In terms of SIPP, the Company availed remission of taxes and levies, namely, Entry Tax on Sugar, Trade Tax on Molasses and Cane Purchase Tax, Stamp duty and registration charges on purchase of land aggregating to ₹ 11278.45 Lacs in earlier years. These remissions were availed pursuant to protection earlier provided by the Hon'ble High Court at Allahabad, which has been confirmed pursuant to the Order of the said court as given in Note No. 37(16)(a) above.

In the assessment of Entry Tax on Sugar and Trade Tax on Molasses relating to four sugar units, namely, Akbarpur, Mankapur, Kumbhi and Gularia aggregating to ₹ 6300.63 Lacs (including ₹ 26.62 Lacs pertaining to the year 2017-18, from April 2017 to June 2017, determined during the year ended 31st March, 2020) has been assessed, though these units are also eligible for the remission under the SIPP. However, no demand has been raised and pursued against the Company in view of the protection by the Hon'ble High Court as aforesaid. Since these units are eligible for incentive under SIPP and no demand has yet been raised against the Company, the aforesaid amount of ₹ 6300.63 Lacs has not been considered as contingent liability.

17. **Impact of COVID-19 Pandemic**

During March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organisation. The Covid -19 pandemic and the consequent lockdown restrictions imposed by the Central and State Governments have impacted business in general. However, since, Company is engaged in the manufacturing of sugar, generation of power and production of Ethanol and other Industrial Alcohol, which all fall under the category of essential commodities and thus, the activities of the Company were being carried out in the normal course under the directives issued by the Ministry of Home Affairs and State Government.

Owing to lock-down demand for sugar was impacted to some extent which is gradually coming to its normal level. In the distillery segment, the Oil Marketing Companies had actively re-allocated the quantities to the new depots to arrest the initial impact on the slow lifting of Ethanol.

The Company's capital and financial resources are well placed and have not been impacted because of the Covid-19. The Company has enough liquidity to meet all its obligations/liabilities and does not expect to face any liquidity crunch.

Overall, Company does not foresee any significant impact on the operational results and the financial health as sugar and allied businesses which the Company operates are all essential products and as such demand of the products will return to a large extent as and when the situation normalizes.

18. (a) The Board of Directors of the Company at its meeting held on 15th September, 2017 considered and approved cumulative investment of ₹ 17500.00 Lacs in tranches over a period of five years in Auxilo Finserve Private Limited ("AFPL"), an unlisted NBFC based in India and engaged in financing activities in education sector.

The Company has so far acquired 15,50,00,000 (Previous Year: 7,50,00,000) Equity shares of AFPL having par value ₹ 10 each with total cost of ₹ 15750.00 Lacs (Previous Year: ₹ 7500.00 Lacs) on preferential issue basis constituting 45.05% (Previous Year: 50.00%).

Though, it's proportionate shareholding has come down to 45.05% as at 31st March 2020 due to investment made by an external investor, AFPL continues to be an associate of the Company. Gain in proportionate net asset value of equity share held by the Company amounting to ₹ 532.51 Lacs consequent to said dilution in equity shareholding has been recognized under the 'Equity method of accounting' according to "Ind AS" - 28 and included under "Other Income".

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(b) Additional Information as required under Schedule III to the Companies Act, 2013 :

As at 31st March, 2020 :

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Lacs)	As % of consolidated profit or loss	(₹ in Lacs)	As % of consolidated other comprehensive income	(₹ in Lacs)	As % of consolidated total comprehensive income	(₹ in Lacs)
Parent								
Balrampur Chini Mills Ltd.	90.12	217695.62	98.86	51336.64	99.89	(688.82)	98.83	50647.82
Associates - (Investment as per equity method)								
Auxilo Finserve Pvt. Ltd.	6.69	16166.51	0.27	144.42	0.04	(0.28)	0.28	144.14
Visual Percept Solar Projects Pvt. Ltd.	3.19	7707.34	0.87	454.38	0.07	(0.46)	0.89	453.92
	100.00	241569.47	100.00	51935.44	100.00	(689.56)	100.00	51245.88

As at 31st March, 2019 :

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Lacs)	As % of consolidated profit or loss	(₹ in Lacs)	As % of consolidated other comprehensive income	(₹ in Lacs)	As % of consolidated total comprehensive income	(₹ in Lacs)
Parent								
Balrampur Chini Mills Ltd.	93.24	197467.47	99.10	57063.86	99.92	(513.88)	99.09	56549.98
Associates - (Investment as per equity method)								
Auxilo Finserve Pvt. Ltd.	3.40	7196.07	(0.39)	(223.78)	0.06	(0.34)	(0.39)	(224.12)
Visual Percept Solar Projects Pvt. Ltd.	3.36	7115.56	1.29	741.90	0.02	(0.09)	1.30	741.81
	100.00	211779.10	100.00	57581.98	100.00	(514.31)	100.00	57067.67

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

19. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2020 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Carrying and fair value		
			Amortized cost	FVTOCI	Total
(1)	**Financial assets**				
(a)	Investments	7	564.58	-	564.58
(b)	Trade and other receivables	8	23928.87	-	23928.87
(c)	Cash and cash equivalents	14	149.24	-	149.24
(d)	Bank balances other than cash and cash equivalents	15	316.34	-	316.34
(e)	Other financial assets	9	29989.62	-	29989.62
	Total		**54948.65**	**-**	**54948.65**
(2)	**Financial liabilities**				
(a)	Borrowings	19	139895.32	-	139895.32
(b)	Trade and other payables	25	67795.18	-	67795.18
(c)	Other financial liabilities	20	16583.76	-	16583.76
	Total		**224274.26**	**-**	**224274.26**

As at 31st March, 2019 (₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Carrying and fair value		
			Amortized cost	FVTOCI	Total
(1)	**Financial assets**				
(a)	Investments	7	2215.47	49.06	2264.53
(b)	Trade and other receivables	8	45003.36	-	45003.36
(c)	Cash and cash equivalents	14	211.76	-	211.76
(d)	Bank balances other than cash and cash equivalents	15	281.08	-	281.08
(e)	Other financial assets	9	19277.07	-	19277.07
	Total		**66988.74**	**49.06**	**67037.80**
(2)	**Financial liabilities**				
(a)	Borrowings	19	167390.76	-	167390.76
(b)	Trade and other payables	25	61850.39	-	61850.39
(c)	Other financial liabilities	20	11974.03	-	11974.03
	Total		**241215.18**	**-**	**241215.18**

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

(i) Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

(ii) The carrying value of debentures approximate their fair value as the instruments are at prevailing market rate.

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:

Financial assets (At FVTOCI) measured at fair value on a recurring basis (₹ in Lacs)

Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
Investments in equity instruments	7	-	-	-	-
		(-)	(-)	(49.06)	(49.06)

Note:

(i) Figures in brackets pertain to previous year.

(ii) There have been no transfers between Level 1 and Level 2 either during the year ended 31st March, 2020 or year ended 31st March, 2019.

Description of significant unobservable inputs to valuation:

The following table shows the valuation technique and inputs for financial instruments:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investments in unquoted equity shares	Adjusted net asset method	

Reconciliation of opening and closing balances for Level 3 fair value: (₹ in Lacs)

Particulars	Investments in unquoted equity shares
Balance as at 1st April, 2019	**49.06**
De-recognised during the year	49.06
Balance as at 31st March, 2020	**-**
Balance as at 1st April, 2018	**43.53**
Net re-measurement gain recognised and deferred during the year	5.53
Balance as at 31st March, 2019	**49.06**

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

20. Financial risk management objectives and policies

The Company's principal financial liabilities includes borrowings, trade payables and other financial liabilities and principal financial assets include trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management under the supervision of Board of Directors oversees the management of these risks. The policies framed with respect to risks summarised below provides assurance that the Company's financial risks are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations.

Sugar is produced over a period of 4 to 5 months and is required to be stored for sale over a period of 12 months, thereby resulting in very high requirement of working capital. Cost of funding depends on the overall fiscal environment in the country as well as the Company's credit worthiness /credit ratings. Failure to maintain credit rating can adversely affect the cost of funds.

To mitigate the interest rate risk, the Company maintains an impeccable track record and ensures long term relation with the lenders to raise adequate funds at competitive rates. Company has access to low cost borrowings because of its healthy Balance Sheet. Moreover, Company deals with five banks thereby reduces risk significantly. In addition, steady revenue from co-generation and distillery business reduces the overall requirement of working capital.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. To mitigate foreign exchange risk, the Company covers its position through permitted hedging methods.

Foreign currency exposure : (US $ in Lacs)

Particulars	Hedged	Unhedged	Total
Foreign currency receivables			
Export related trade receivables	-	-	-
	(228.41)	(2.66)	(231.07)
Total	-	-	-
	(228.41)	(2.66)	(231.07)
Foreign curreny payables			
Borrowings - Current	-	-	-
	(228.41)	(-)	(228.41)
Interest accrued but not due on borrowings	-	-	-
	(-)	(0.19)	(0.19)
Total	-	-	-
	(228.41)	(0.19)	(228.60)

Figures in brackets pertain to previous year.

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(iii) Commodity price risk

The major segment in which the Company operates, which accounts for around 80% of the Company's revenues, is Sugar and as such the Company is exposed to commodity price risk. Normally, Company does not physically export sugar unless it is mandated by the Government and duly supported by export subsidy. In that case, the Company has a policy in place to hedge the export underlying exposure. For domestic sales, under the current regime, sales quotas are announced by the Government on monthly basis.

Further, there are not many active platforms in India that allow hedging of domestic sugar sales. In addition to the above, the Central Government had announced Minimum Sale Price (MSP) for sale of sugar in the open market by every sugar mill. Such MSP, currently at ₹ 31/- per kilogram acts as a minimum floor price for the sale of sugar by the sugar mills in India. The pricing methodology for ethanol also remained unchanged. Ethanol prices are announced annually by the Central Government based on a formula, which considers the price of sugar and FRP of sugarcane to calculate the ethanol procurement prices. The ethanol prices are delinked with the crude or petrol prices. Thus, there is no price risk in case of ethanol and accordingly it does not require any hedging.

(iv) Other price risk

Company's equity risk exposure is limited to cost and these are subject to impairment testing as per the policies followed in this respect. Accordingly, other price risk is not expected to be material.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are mostly on cash. Power and ethanol are sold to government entities, thereby the credit default risk is significantly mitigated.

The Company uses judgement in making these assumptions and selecting the inputs for assessing the impairment calculation, based on the Company's past history, existing market conditions as well as future estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss.

(i) Trade receivables

Trade receivables are non-interest bearing; Refer Note No. 37 (11) for credit terms.

Trade receivables includes ₹ Nil (Previous Year: ₹ 15878.23 Lacs) backed by letter of credit as referred in Note No. 8(ii) discounted / negotiated with banks on recourse basis and thereby the credit risk was retained by the Company and receivables were not de-recognized in the financial statements.

An impairment analysis is performed at each balance sheet date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets disclosed under Note No. 8.

The ageing analysis of the receivables has been considered from the date the invoice falls due: (₹ in Lacs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Upto 6 months	16508.49	40018.49
6 to 12 months	7420.38	4959.94
More than 12 months	97.63	104.20
	24026.50	**45082.63**
Including trade receivables discounted / negotiated with banks	-	11335.26

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

The following table summarizes the change in the loss allowances measured using life time expected credit loss model for trade receivables:

Particulars	(₹ in Lacs)
Balance as at 1st April, 2019	97.63
Provided during the year	-
Reversed during the year	-
Balance as at 31st March, 2020	97.63
Balance as at 1st April, 2018	97.63
Provided during the year	-
Reversed during the year	-
Balance as at 31st March, 2019	97.63

No changes in estimation were made during the reported period.

(ii) Balances with banks

Credit risk for balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the consolidated balance sheet as at 31st March, 2020 and 31st March, 2019 is the carrying amounts as stated under Note No. 14 and 15.

(c) Liquidity risk

The Company's objective is to meet the funding requirement and maintain flexibility in this respect through the use of cash credit facilities, short term loans and commercial papers.

The table below summarises the maturity profile of Company's financial liabilities : (₹ in Lacs)

Sl. No.	Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
A.	As at 31st March, 2020				
(i)	Borrowings (excluding current maturities of long - term debt)				
	Non-current				
	Term loans	-	33802.37	-	33802.37
	Long term maturities of lease obligation	-	66.53	157.22	223.75
	Current				
	Loans repayable on demand	105869.20	-	-	105869.20
		105869.20	33868.90	157.22	139895.32
(ii)	Trade and other payables	67795.18	-	-	67795.18
(iii)	Other financial liabilities	16583.76	-	-	16583.76
	Total	190248.14	33868.90	157.22	224274.26

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(₹ in Lacs)

Sl. No.	Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
B.	As at 31st March, 2019				
(i)	Borrowings (excluding current maturities of long - term debt)				
	Non-current				
	Term loans	-	26099.11	1825.41	27924.52
	Current				
	Loans repayable on demand	89368.04	-	-	89368.04
	Other loans	50098.20	-	-	50098.20
		139466.24	26099.11	1825.41	167390.76
(ii)	Trade and other payables	61850.39	-	-	61850.39
(iii)	Other financial liabilities	11820.94	153.09	-	11974.03
	Total	213137.57	26252.20	1825.41	241215.18

21. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective while managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in the light of changes in the financial condition and the requirements of the financial covenants and return of capital to shareholders.

In order to achieve this overall objective, the Company's capital management, amongst other things, also aim to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2020 and 31st March, 2019.

The Company monitors capital using debt-equity ratio, which is total long-term debt divided by total equity

(₹ in Lacs, unless stated otherwise)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Total long-term debt (including current maturities)	44829.68	37574.92
Total equity	241569.44	211779.07
Debt to equity ratio	0.19	0.18

Notes forming part of the Consolidated Financial Statements

Note No. : 37 Other disclosures (Contd.)

(b) Dividend

Particulars		Year ended 31st March 2020	Year ended 31st March 2019
Year to which interim dividend relates		2019-20	2018-19
Interim dividend paid per equity share	(₹)	2.50	2.50
Gross amount of Interim dividend	(₹ in Lacs)	5500.00	5710.96
Dividend distribution tax on above	(₹ in Lacs)	1130.54	1173.90

22. The previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with those of the current year's figures.

As per our report of even date attached.

For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-	sd/-	sd/-	sd/	sd/-
R. P. Singh Partner Membership No. 052438	Manoj Agarwal Company Secretary	Pramod Patwari Chief Financial Officer	Dr. Arvind Krishna Saxena Whole-time Director DIN - 00846939	Vivek Saraogi Managing Director DIN - 00221419
Place of Signature: Kolkata Date: 23rd June, 2020	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies/joint ventures as at 31st March, 2020:

Part "A": Subsidiaries

Sl. No.	Particulars	Detailed Information	
		As at 31st March, 2020	As at 31st March, 2019
1.	Name of the subsidiary *	Not applicable	Not applicable
2.	The date since when subsidiary was acquired		
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		
5.	Share capital (₹ in Lacs)		
6.	Reserves and surplus (₹ in Lacs)		
7.	Total assets (₹ in Lacs)		
8.	Total Liabilities (₹ in Lacs)		
9.	Investments (₹ in Lacs)		
10.	Turnover (₹ in Lacs)		
11.	(Loss)/Profit before taxation (₹ in Lacs)		
12.	Provision for taxation (₹ in Lacs)		
13.	(Loss)/Profit after taxation (₹ in Lacs)		
14.	Proposed Dividend (₹ in Lacs)		
15.	Extent of shareholding (in %)		

* There were no subsidiary of the Company as at 31st March, 2020 and 31st March, 2019.

Notes:

(i)	Names of subsidiaries which are yet to commence operations	Not applicable	Not applicable
(ii)	Names of subsidiaries which have been liquidated or sold during the year	Not applicable	Not applicable

FORM AOC-I (CONTD.)

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Sl. No.	Particulars	Detailed Information			
		As at 31st March, 2020		As at 31st March, 2019	
1.	Name of Associates ^	Auxilo Finserve Pvt. Ltd.	Visual Percept Solar Projects Pvt. Ltd.	Auxilo Finserve Pvt. Ltd.	Visual Percept Solar Projects Pvt. Ltd.
2.	Latest audited Balance Sheet Date	31/03/2020	31/03/2020	31/03/2019	31/03/2019
3.	Date on which the Associate was associated or acquired	20/03/2018	24/01/2017	20/03/2018	24/01/2017
4.	Shares of Associate held by the Company on the year end				
	- Number	155000000	8914500	75000000	8914500
	- Amount of Investment in Associates (₹ in Lacs)	15750.00	2228.63	7500.00	2228.63
	- Extent of shareholding (in %)	45.05%	45.00%	50.00%	45.00%
5.	Description of how there is significant influence	By virtue of voting power	By virtue of voting power	By virtue of voting power	By virtue of voting power
6.	Reason why the associate is not consolidated	Not applicable	Not applicable	Not applicable	Not applicable
7.	Networth attributable to shareholding as per latest audited Balance Sheet (₹ in Lacs)	16166.51 *	7707.34	6903.65 *	7115.56
8.	Profit for the year #				
	i. Considered in Consolidation (₹ in Lacs)	187.92	591.78	(292.18)	967.10
	ii. Not considered in Consolidation (₹ in Lacs)	188.54	723.29	(292.17)	1182.00

^ There is/was no other associate of the Company during the year/previous year.

* Differential of ₹ Nil (Previous Year : ₹ 292.42 Lacs with respect to carrying amount of investment is represented by pre-acquisition losses not forming part of goodwill /investment.

includes Other comprehensive income for the year, net of tax.

Notes:

(i)	Names of associates which are yet to commence operations	Not applicable	Not applicable
(ii)	Names of associates which have been liquidated or sold during the year	Not applicable	Not applicable
(iii)	The Company does not have a joint venture, hence, the requirements under this Part is not applicable to the Company and no information is required to be disclosed.		

For **LODHA & CO.**
Chartered Accountants
Firm's ICAI Registration No. - 301051E

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
R. P. Singh	**Manoj Agarwal**	**Pramod Patwari**	**Dr. Arvind Krishna Saxena**	**Vivek Saraogi**
Partner	*Company Secretary*	*Chief Financial Officer*	*Whole-time Director*	*Managing Director*
Membership No. 052438			DIN - 00846939	DIN - 00221419
Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Kolkata	Place of Signature: Balrampur	Place of Signature: Kolkata

Date: 23rd June, 2020

Corporate Information

(As on 23rd June, 2020)

Chairman Emeritus
Kamal Nayan Saraogi

Chief Mentor
Meenakshi Saraogi (Smt.)

Board of Directors
Sumit Mazumder
Chairman & Independent Director

Vivek Saraogi
Managing Director

D. K. Mittal (IAS Retd.)
Lead Independent Director

Naresh Dayal (IAS Retd.)
Non-Executive Director

Krishnava Dutt
Independent Director

Veena Hingarh (Ms.)
Additional Director - Independent

Sakti Prasad Ghosh
Independent Director

Dr. Arvind Krishna Saxena
Whole-time Director

Chief Financial Officer
Pramod Patwari

Company Secretary
Manoj Agarwal

Corporate Identification Number
L15421WB1975PLC030118

Registered Office
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road,
Kolkata 700 020

Website
www.chini.com

Bankers
State Bank of India
HDFC Bank
ICICI Bank
Kotak Mahindra Bank
Bank of Baroda

Statutory Auditors
M/s. Lodha & Co.,
Chartered Accountants

Registrar and Share Transfer Agent
KFin Technologies Private Limited
Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad-500032

Sugar Factories
Unit 1: Balrampur
(Including distillery,
cogeneration and agro units)
Dist: Balrampur, Uttar Pradesh

Unit 2: Babhnan
(Including distillery and
cogeneration units)
Dist: Gonda, Uttar Pradesh

Unit 3: Tulsipur
Dist: Balrampur, Uttar Pradesh

Unit 4: Haidergarh
(Including cogeneration unit)
Dist: Barabanki, Uttar Pradesh

Unit 5: Akbarpur
(Including cogeneration unit)
Dist: Ambedkarnagar, Uttar Pradesh

Unit 6: Rauzagaon
(Including cogeneration unit)
Dist: Faizabad, Uttar Pradesh

Unit 7: Mankapur
(Including distillery,
cogeneration and agro units)
Dist: Gonda, Uttar Pradesh

Unit 8: Kumbhi
(Including cogeneration unit)
Dist: Lakhimpur Kheri, Uttar Pradesh

Unit 9: Gularia
(Including distillery and cogeneration units)
Dist: Lakhimpur Kheri, Uttar Pradesh

Unit 10: Maizapur
Dist: Gonda, Uttar Pradesh

A TRISYS PRODUCT
info@trisyscom.com

Balrampur Chini Mills Limited
CIN: L15421WB1975PLC030118
Registered Office:
FMC Fortuna, 2nd Floor,
234/3A A.J.C. Bose Road, Kolkata 700020, India
P: (033) 22874749 F: (033) 22873083 E: bcml@bcml.in
W: www.chini.com

BALRAMPUR CHINI MILLS LIMITED

CIN: L15421WB1975PLC030118
Registered Office: FMC Fortuna, 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata 700 020
Tel: +91 33 2287 4749, **Fax:** +91 33 2287 3083, **Email:** secretarial@bcml.in, **Website:** www.chini.com

NOTICE

NOTICE is hereby given that the Forty Fourth (44th) Annual General Meeting of the Members of Balrampur Chini Mills Limited will be held on **Tuesday, 22nd Day of September, 2020 at 4.00 P.M. (IST)** through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.

2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Report of the Auditors thereon.

3. To approve and confirm the interim dividend of Rs. 2.50 per Equity Share of the Company paid during the year as final dividend for the financial year ended 31st March, 2020.

4. To appoint a director in place of Shri Naresh Dayal (DIN: 03059141), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

Special Business:

5. **To consider and if thought fit, to pass the following resolution as a Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, 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) read with Schedule IV to the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "Listing Regulations"), Shri Sumit Mazumder (DIN: 00116654), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of director of the Company, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years with effect from 1st May, 2021 to 30th April, 2026 and he shall not be liable to retire by rotation.

   RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the Listing Regulations, approval of the Members of the Company be and is hereby accorded for continuation of Shri Sumit Mazumder as an Independent Director of the Company from the day he attains the age of 75 years till the remaining period of his second term, i.e. up to 30th April, 2026."

6. **To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, 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) read with Schedule IV to the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Ms. Veena Hingarh (DIN: 00885567), who was appointed as an Additional Director in the capacity of an Independent Director of the Company by the Board of Directors, with effect from 31st August, 2019 as per the provisions of the Act and the Articles of Association of the Company subject to the approval of

the shareholders and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing her candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 5 consecutive years with effect from 31st August, 2019 to 30th August, 2024 and she shall not be liable to retire by rotation."

7. **To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (as amended) and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of M/s Mani & Co., Cost Accountants (Firm Registration No.: 000004), appointed by the Board of Directors, on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the financial year ending 31st March, 2021 at a remuneration of Rs. 4,00,000 plus applicable taxes and reimbursement of out-of-pocket expenses, be and is hereby ratified.

   RESOLVED FURTHER THAT each of the Directors and the Company Secretary of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid Resolution."

Place: Kolkata
Date: 23rd June, 2020

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No. A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

NOTES:

1. A Statement pursuant to Section 102 of the Companies Act, 2013, as amended, (the "Act") and Secretarial Standard on General Meetings (Revised) (SS-2), in respect of item nos. 5 to 7 of the Notice set out above, relating to Special Businesses to be transacted at the Meeting which the Board of Directors have considered and decided to include as Special Business and which are unavoidable in nature, are annexed hereto. The said Statements also contain the recommendation of the Board of Directors of the Company in terms of Regulation 17(11) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"). Additional disclosures, pursuant to the requirements of SS-2 and Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / re-appointment is also annexed to this Notice convening the 44th Annual General Meeting (AGM) of the Company (the "Notice").

2. In view of the continuing restrictions on the movement of people at several places in the country, due to the outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with MCA's earlier General Circular nos. 14/2020 and 17/2020 dated 8th April, 2020 and 13th April, 2020, respectively and the Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 79 dated 12th May, 2020 has allowed the Companies to conduct their AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In accordance with the aforesaid Circulars and applicable provisions of the Act and the Listing Regulations, the 44th AGM of the Company shall be conducted through VC / OAVM. The instructions for participation in the 44th AGM through VC / OAVM are appended herein below. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

3. Keeping the convenience of the Members positioned in different time zones, the Meeting has been scheduled at 4.00 P.M. (IST).

4. **IN TERMS OF THE MCA AND SEBI CIRCULARS MENTIONED HEREINABOVE, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THE NOTICE.**

   However, in pursuance of Section 113 of the Act and Rules framed thereunder, the institutional/corporate members are entitled to appoint authorized representatives for the purpose

of voting through remote e-voting or for the participation and e-voting during the AGM, through VC or OAVM. In this regard, they are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney/ appropriate Authorization Letter authorizing their representative to vote on their behalf, to the Scrutinizer through e-mail at *cs.amberahmad@gmail.com* with the subject line "Balrampur Chini Mills Limited – 44th AGM" with a copy marked to *evoting@kfintech.com*.

5. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.

DISPATCH OF ANNUAL REPORT, PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF THE NOTICE AND ANNUAL REPORT:

6. In compliance with the aforesaid MCA and SEBI Circulars, the Notice and the Annual Report is being sent only through electronic mode to all the Members whose email addresses are registered with the Company/RTA/Depositories.

7. Members may note that the Notice and the Annual Report will also be available on the Company's website at *www.chini.com*, the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at *www.bseindia.com* and *www.nseindia.com*, respectively, and on the website of the e-voting agency (*https://evoting.karvy.com*).

8. KFin Technologies Private Limited (formerly, Karvy Fintech Private Limited, hereinafter referred to as "KFin"), the Company's Registrar and Share Transfer Agent will provide the facility for voting through remote e-voting, for participating in the AGM through VC / OAVM and e-voting during the AGM.

9. Pursuant to the MCA's Circular, the Company has published a newspaper advertisement urging its members (who have not registered their email IDs) to register their email IDs at the earliest. The Company had earlier also sent letters/ emails to all the shareholders in this regard. However, Members who have still not registered their email IDs, are requested to do so at the earliest, in the following manner:

   a) Members holding shares in electronic mode can get their email IDs registered by contacting their respective Depository Participant.

   b) Members holding shares in physical mode are requested to register their email IDs with the Company or KFin, for receiving the Notice and Annual Report. Requests can be emailed to at *investorgrievances@bcml.in* or *einward.ris@kfintech.com*.

   c) Members (whether holding shares in demat or physical mode) can temporarily get their email registered by logging into *https://ris.kfintech.com/email_registration/* for receiving the Annual Report, Notice and e-voting details for this AGM.

   The members are urged to support the Green Initiative effort of the Government of India by choosing to receive the communication from the Company through email.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

10. Members will be able to attend the AGM through VC / OAVM at *https://emeetings.kfintech.com* by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM.

    Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.

11. Members may join the AGM through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Mozilla Firefox.

    Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

    Members will be required to grant access to the web-cam to enable two-way video conferencing.

12. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the AGM. Members will be able to participate in the AGM through VC / OAVM on a first-come-first-serve basis.

    Large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come-first-serve basis.

13. Institutional Members are encouraged to participate at the AGM through VC / OAVM and vote thereat.

14. Members, holding shares as on the cut-off date i.e. Tuesday, 15th September, 2020 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers at *https://emeetings.kfintech.com* and clicking on 'Speaker Registration' during the period from Saturday, 19th September, 2020 (10:00 A.M. IST) upto Monday, 21st September, 2020 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the AGM. The

Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

Alternatively, Members holding shares as on the cut-off date may also visit *https://emeetings.kfintech.com* and click on the tab 'Post Your Queries' and post their queries/views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window will close at 5.00 P.M. (IST) on Monday, 21st September, 2020.

15. Members who need assistance before or during the AGM with use of technology, can contact KFin at 1-800-3454-001 or write to them at *evoting@kfintech.com*

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

16. In accordance with the provisions of Section 108 and other applicable provisions, if any, of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and Regulation 44 of the Listing Regulations, the Company has engaged the services of KFin to provide remote e-voting facility to all the Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting.

17. Members are requested to attend and participate in the ensuing AGM through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during the AGM.

18. Members who would have cast their vote by remote e-voting may attend the Meeting through VC/OAVM, but shall not be able to vote at the Meeting. Such a member will also not be allowed to change or cast vote again. The facility of voting through electronic means will also be available during the Meeting. Members attending the Meeting who have not already cast their vote by remote e-voting shall be able to cast their vote during the Meeting.

19. The remote e-voting period commences on Saturday, 19th September, 2020 (10:00 A.M. IST) and ends on Monday, 21st September, 2020 (5:00 P.M. IST). During this period, the Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, 15th September, 2020, being the cut-off date, are entitled to vote on the resolutions set forth in the Notice. A person who is not a member as on the cut-off date, Tuesday, 15th September, 2020, should treat this Notice for information purpose only.

20. In case of any query and / or help, in respect of attending the AGM through VC/ OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC / OAVM' user manual available at the download Section of *https://evoting.karvy.com* or contact Shri S. V. Raju, Deputy General Manager - Corporate Registry or Shri Balaji Reddy, Manager – Corporate Registry of KFin at the email ID *evoting@kfintech.com* or on phone no.: 040-6716 2222 or call KFin's toll free no.: 1800-3454-001 for any further clarifications / technical assistance that may be required.

21. **The process and manner for remote e-voting are as under:**

    A. In case a Member receives an email from KFin (for Members whose email IDs are registered with the Company/ Depository Participants):

        i. Launch internet browser by typing the URL: *https://evoting.karvy.com*

        ii. Enter the login credentials (i.e. User ID and Password). Folio No./ DP ID-Client ID will be the User ID. However, if a Member has already registered with KFin for e-voting, they can use the existing User ID and password for casting the vote.

        iii. After entering these details appropriately, click on "LOGIN".

        iv. The Member will now reach password change menu wherein they are required to mandatorily change their password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.). The system will prompt to change the password and update the contact details like mobile number, email ID, etc. on first login. Members may also enter a secret question and answer of their choice to retrieve the password in case it is forgotten. It is strongly recommended not to share the password with any other person and to take utmost care to keep the password confidential.

        v. Please login again with the new credentials.

        vi. On successful login, the system will prompt to select the "EVENT" i.e. Balrampur Chini Mills Limited.

        vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, a Member may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed the total shareholding as mentioned hereinabove. A Member may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

        viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

ix. Voting has to be done for each item of the Notice separately. In case a Member does not desire to cast their vote on any specific item it will be treated as abstained.

x. Please cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once confirmed, a Member will not be allowed to modify their vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

B. In case email ID of a Member is not registered with the Depository Participant / Company, then such Member is requested to register/update their email ID with the Depository Participant (in case of shares held in dematerialised form) or inform KFin at the email ID *evoting@kfintech.com* (in case of shares held in physical form):

i. Upon registration, Member will receive an email from KFin which includes details of E-Voting Event Number (EVEN), User ID and Password.

ii. Please follow all steps from Note. No. (A)(i) to (xi) above to cast the vote by electronic means.

C. A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM. If a Member casts votes by both modes i.e. voting at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

22. Other Instructions:

a) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

b) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 15th September, 2020.

c) Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holds shares as on the cut-off date i.e. Tuesday, 15th September, 2020 may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD Folio No. or DP ID Client ID to +91 9212993399. In case of physical holding, prefix Folio No. with EVEN.

Example for NSDL:
MYEPWD<SPACE> IN12345612345678

Example for CDSL:
MYEPWD<SPACE> 1402345612345678

Example for Physical:
MYEPWD<SPACE> XXX1234567890

ii. If email ID of the Member is registered against Folio No. / DP ID Client ID, then on the home page of *https://evoting.karvy.com*, the Member may click 'Forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members may call KFin toll free number 1-800-3454-001.

iv. Members may send an email request to *evoting@kfintech.com*. If the Member is already registered with the KFin e-voting platform then such Member can use his / her existing User ID and password for casting the vote through remote e-voting.

d) The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC/OAVM. The e-voting window shall be activated upon instructions of the Chairman of the AGM during the AGM. E-voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same.

23. The Board of Directors of the Company has appointed CS Amber Ahmad, Proprietor, Amber Ahmad & Associates, Company Secretaries, (FCS No.: 9312 / CP No.: 8581), or failing her, such other practicing company secretary as the Executive Committee of the Board of Directors of the Company may appoint, as the Scrutinizer for scrutinizing the process of remote e-voting and e-voting during the Meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of the Meeting, unblock the votes cast through remote e-voting and e-voting done during the Meeting in presence of atleast two witnesses not in employment of the Company. The Scrutinizer shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the Meeting.

24. The Results of remote e-voting and voting at the Meeting shall be declared by the Chairman or by any other director duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website *(www.chini.com)* and also be displayed on the Notice Board of the Company at its Registered Office for atleast 3 days and on the website of KFin (*https://evoting.karvy.com*) immediately after the results are declared and simultaneously communicated to the Stock Exchanges.

GENERAL:

25. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 16th September, 2020 to Tuesday, 22nd September, 2020 (both days inclusive).

26. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

27. The Board of Directors, had declared interim dividend @250% i.e. Rs. 2.50 per equity share of Re. 1 each at its Meeting held on 11th November, 2019 which was paid to the equity shareholders whose names appeared on the Company's Register of Members or in the records of the depositories as beneficial owners on 22nd November, 2019. The Board has not proposed any final dividend for the financial year ended 31st March, 2020 and accordingly, the interim dividend paid during the year shall be treated as final dividend. However, in order to receive any future dividend directly in your bank account, kindly register/ update your bank account details.

28. Members holding shares in electronic form may note that the Company or its Registrar and Share Transfer Agent (KFin) cannot act on any request received directly from the members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address and / or bank mandates immediately to KFin.

29. 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 can be downloaded from the Company's website (www.chini.com) under the section "Investor Corner".

30. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to the Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / KFin.

31. Since securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, members holding shares in physical form are requested to get their shares dematerialized at the earliest. Further, pursuant to the amendment in the Listing Regulations and subsequent notification issued by SEBI, on and from 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In this regard, SEBI has clarified by a Press Release that the said amendments does not prohibit an investor from holding the shares in physical form and the investor has the option of holding shares in physical form even after 1st April, 2019. However, any investor who is desirous of transferring shares (which are held in physical form) after 1st April, 2019 can do so only after the shares are dematerialized.

UNPAID DIVIDEND AND TRANSFER TO IEPF ACCOUNT:

32. In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the due date for transferring the unclaimed dividend for the financial year 2012-13 to the Investor Education and Protection Fund (established by the Central Government) is 7th September, 2020. Shareholders who have not yet encashed their dividend warrants for the financial year 2012-13 or any subsequent financial year(s) are requested to claim the same by sending a duly signed letter (along with a copy of cancelled cheque) to KFin immediately. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 30th August, 2019 (date of last AGM) on the website of the Company (www.chini.com) and also on the website of the Ministry of Corporate Affairs.

33. The Company has sent reminder to all those shareholders who have not claimed their dividends and newspaper publications have also been made by the Company about the same. In case the Company/RTA does not receive any claim from such shareholders before the due date, the Company shall proceed to transfer such dividend to IEPF as per the IEPF Rules, without any further notice. Further, the equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more will also be transferred to IEPF Suspense Account, which is operated by the IEPF Authority in terms of the IEPF Rules. No claim shall lie against the Company in respect of individual amount(s) so credited to the Investor Education and Protection Fund.

    Members can however claim both the unclaimed dividend amount and the equity shares from the IEPF Authority by making applications in the manner provided in the IEPF Rules.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

34. All documents referred to in the Notice and the Explanatory Statement shall be made available electronically for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members seeking inspection of the aforementioned documents can send an email to seretarial@bcml.in with the subject line "Balrampur Chini Mills Limited – 44th AGM" from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers.

35. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors

are interested maintained under Section 189 of the Act shall be made available for inspection by the Members through electronic mode during the AGM.

36. FOR EASE OF PARTICIPATION BY MEMBERS, PROVIDED BELOW ARE KEY DETAILS REGARDING THE AGM FOR REFERENCE:

Sr. No.	Particulars	Details of access
a.	Link of the AGM and for participation through VC/ OAVM	*https://emeetings.kfintech.com* by using e-voting credentials and clicking on video conference
b.	Link for posting AGM queries and speaker registration and period of registration	*https://emeetings.kfintech.com* by using e-voting credentials and clicking on "post your queries" / "Speaker registration" as the case may be. Period of registration: Saturday, 19th September, 2020 (10:00 A.M. IST) upto Monday, 21st September, 2020 (5:00 P.M. IST)
c.	Link for remote e-voting	*https://evoting.karvy.com*
d.	Username and password for VC	Members may attend the AGM through VC by accessing the link *https://emeetings.kfintech.com* by using the remote e-voting credentials. Please refer the instructions provided separately which forms part of the Notice.
e.	Helpline number for VC participation and e-voting	Contact KFin Technologies Private Limited at 1-800-3454-001 or write to them at *evoting@kfintech.com*
f.	Cut-off date for e-voting	Tuesday, 15th September, 2020
g.	Time period for remote e-voting	Commences on Saturday, 19th September, 2020 (10:00 A.M. IST) and ends on Monday, 21st September, 2020 (5:00 P.M. IST)
h.	Book closure dates	Wednesday, 16th September, 2020 to Tuesday, 22nd September, 2020 (both days inclusive)
i.	Link for Members to update email ID	*https://ris.kfintech.com/email_registration/*
j.	Last date for publishing results of the e-voting	Thursday, 24th September, 2020
k.	Registrar and Transfer Agent - contact details	KFin Technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad–500032 Tel: 1-800-5724-001 www.kfintech.com
l.	Balrampur Chini Mills Limited – contact details	234/3A, A. J. C. Bose Road, FMC Fortuna, 2nd Floor, Kolkata – 700020 Email: *secretarial@bcml.in*

Place: Kolkata
Date: 23rd June, 2020

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No. A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 (AS AMENDED) READ TOGETHER WITH REGULATION 17(11) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED)

The following Explanatory Statement sets out all material facts and recommendation of the Board of Directors of the Company relating to the Special Businesses set out in Item No. 5, 6 and 7 of the accompanying Notice:-

Item No. 5

Shri Sumit Mazumder is an Independent Director and the Chairperson of the Board of Directors (the Board) of the Company and is also a member of the Corporate Social Responsibility Committee and the Executive Committee. Pursuant to the Companies Act, 2013 (as amended) (the "Act") Shri Mazumder was appointed as an Independent Director by the Members of the Company with effect from 21st May, 2016 upto 30th April, 2021, at the 40th Annual General Meeting held on 12th August, 2016. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment for second term of upto five consecutive years on passing a special resolution by the Company.

Based on recommendation of the Nomination & Remuneration Committee (recommendation was given on the basis of the report of performance evaluation of Independent Directors) and in terms of the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "Listing Regulations"), Shri Mazumder, being eligible for re-appointment as an Independent Director for second term of five consecutive years from 1st May, 2021 upto 30th April, 2026, is proposed to be re-appointed as an Independent Director. The Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of director of the Company. Further, in terms of Sections 149 and 152 of the Act, Shri Mazumder shall not be liable to retire by rotation.

The Company has received declaration from Shri Sumit Mazumder stating that he meets the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Company has also received a declaration from Shri Mazumder stating that he is not disqualified from being appointed as a director in terms of Section 164 of the Act and has also received his consent to continue to act as a Director of the Company.

Further, in terms of Regulation 17(1A) of the Listing Regulations, consent of the members by way of special resolution would also be required for continuation of a non-executive director beyond the age of seventy five years. Therefore, consent of the Members of the Company is also required for continuation of Shri Sumit Mazumder as an Independent Director of the Company from the day he attains the age of 75 years (on 11th February, 2023) till the remaining period of his second term, i.e. up to 30th April, 2026.

In the opinion of the Board, Shri Sumit Mazumder fulfills the conditions specified under the Act, the Rules made thereunder and the Listing Regulations for his re-appointment as an Independent Director of the Company and is independent of the management of the Company. The directorships held by Shri Mazumder are within the limits prescribed under the Act and Regulation 17A of the Listing Regulations.

Considering Shri Mazumder's knowledge, expertise, experience, integrity and his entrepreneur and leadership skills and the contributions made by him during his tenure as an independent director and the Chairperson of the Board, his continued association would be of immense benefit to the Company and hence it is desirable to continue to avail services of Shri Mazumder as an Independent Director. Accordingly, the Board based on the performance evaluation of the Independent Directors and as per the recommendation of the Nomination & Remuneration Committee at its meeting held on 23rd June, 2020 resolved to recommend the Special Resolution in relation to re-appointment of Shri Mazumder as an Independent Director, for another term of five consecutive years with effect from 1st May, 2021 to 30th April, 2026 and continuation of directorship under Regulation 17(1A) of the Listing Regulations, for the approval by the Shareholders of the Company.

Brief resume of Shri Sumit Mazumder, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., are provided as Annexure hereto. Copy of the draft letter of re-appointment of Shri Sumit Mazumder as an Independent Director setting out terms and conditions of his re-appointment would be available for inspection, without any fee, by the Members upto the date of the Annual General Meeting of the Company.

Except Shri Sumit Mazumder, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice. Documents relating to the said re-appointment are available for inspection by the members.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Revised Secretarial Standard on

General Meetings (SS-2) of ICSI. Other disclosures required under the Act, SS-2 and Regulation 36 of the Listing Regulations have been provided as an Annexure hereto.

Item No. 6

In terms of the provisions of the Companies Act, 2013, as amended, (the "Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "Listing Regulations") and the recommendation of the Nomination & Remuneration Committee, Ms. Veena Hingarh was appointed as an Additional Director in the capacity of an Independent Director by the Board of Directors of the Company with effect from 31st August, 2019 for a term of 5 consecutive years subject to the approval of the shareholders. As an Additional Director she holds office upto the date of this AGM and pursuant to provisions of section 160 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has received notice in writing from a member proposing the candidature of Ms. Veena Hingarh (DIN: 00885567) as a Director of the Company.

The Company had received declaration from Ms. Veena Hingarh stating that she meets the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Company had also received a declaration from Ms. Hingarh stating that she is not disqualified from being appointed as a director in terms of Section 164 of the Act.

In the opinion of the Board, Ms. Veena Hingarh fulfills the conditions specified under the Act and the Listing Regulations for her appointment as an Independent Director of the Company and is independent of the management of the Company. The directorships held by Ms. Hingarh are within the limits prescribed under the Act and Regulation 17A of the Listing Regulations. Further, in terms of Sections 149 and 152 of the Act, Ms. Hingarh shall not be liable to retire by rotation.

Ms. Veena Hingarh is a Chartered Accountant, Company Secretary, Certified Information System Auditor and Masters in Science by qualification. She is a member of the Financial Reporting Review Board of ICAI. She has over 20 years of result-oriented consultancy and corporate training experience. The Board considers that based on Ms. Hingarh's skills, expertise, experience, integrity and knowledge, her association would be of immense benefit to the Company as an Independent Director. Accordingly, the Board recommends appointment of Ms. Hingarh as an Independent Director of the Company for a term of 5 consecutive years with effect from 31st August, 2019 upto 30th August, 2024 for the approval by the members of the Company.

Brief resume of Ms. Veena Hingarh, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., are provided as Annexure hereto. Copy of the draft letter of appointment of Ms. Veena Hingarh as an Independent Director setting out terms and conditions of her appointment would be available for inspection, without any fee, by the Members upto the date of the Annual General Meeting of the Company.

Except Ms. Veena Hingarh, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice. Documents relating to the said appointment are available for inspection by the members.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Revised Secretarial Standard on General Meetings (SS-2) of ICSI. Other disclosures required under the Act, SS-2 and Regulation 36 of the Listing Regulations have been provided as an Annexure hereto.

Item No. 7

The Board, on recommendation of the Audit Committee, approved the appointment of M/s Mani & Co., Cost Accountants (Firm Registration No.: 000004) as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company relating to Sugar (including Industrial Alcohol) and Electricity for the financial year ending 31st March, 2021 at a remuneration of Rs. 4,00,000 plus taxes, as applicable and reimbursement of out of pocket expenses. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. Accordingly, the Board of Directors of the Company recommends the resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2021 for approval of the members of the Company. In this regard, consent of the Members is sought for passing the said resolution as approved by the Board of Directors and as set out in Item no. 7 of the accompanying Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution. The Board accordingly recommends the Ordinary Resolution as set out in Item No. 7 for approval by the Shareholders.

Place: Kolkata
Date: 23rd June, 2020

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No. A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020

ANNEXURE TO THE NOTICE

As per the requirement of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Clause 1.2.5 of the Secretarial Standard on General Meetings (Revised) (SS-2) as issued by the Institute of Company Secretaries of India, a statement containing the requisite details of the concerned Directors is given below:

Name	Shri Naresh Dayal	Shri Sumit Mazumder	Ms. Veena Hingarh
DIN	03059141	00116654	00885567
Date of Birth	14th September, 1949	11th February, 1948	4th September, 1970
Age	70 years	72 years	50 years
Profile	Shri Naresh Dayal is a Retd. IAS and has worked with the Government of India for 37 years in various positions at the state and national levels. As Secretary, the Hon'ble Ministry of Health and Family Welfare, Shri Dayal was responsible, among other things, for all policies and programs in Public Health, supervising National Health Authorities, assessing and devising the policies for the Country's manpower requirements in health.	Shri Sumit Mazumder, MBA by qualification, is an entrepreneur and the Managing Director of TIL Limited since 1995. He was appointed as the President of CII (Confederation of Indian Industry) for 2015-16 and is associated with many other companies.	Prof. Veena Hingarh is an associate consultant and trainer with Moody's, Fitch, Informa, KPMG Middle East and Ken Knowledge. Her areas of specialization are Information System Audit, Risk Management, and International Financial Reporting Standards. She has been a consultant on World Bank projects for implementing risk management systems in banks. She is a member of the Financial Reporting Review Board, ICAI.
Qualification	M.A. from University of Delhi and Masters in Professional Studies, Agriculture, from University of Cornell, USA.	Graduate from St. Xavier's College, Kolkata and Masters in Business Administration from Sam Houston State University, Texas, USA. He also undertook the Advanced Management Program at Harvard Business School, Massachusetts, USA.	Masters in Science, Chartered Accountant, Company Secretary, Certified Information System Auditor.
Experience and Expertise in specific functional area	Business and General Administration	Business Management and diverse experience being on the board of several companies.	Result-oriented consultancy and corporate training.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	Appointed as a Non-Executive Non-Independent Director with effect from 15th November, 2016. His office is liable to retire by rotation. He is entitled to receive commission and sitting fees as per the provisions of the Companies Act, 2013 (as amended).	Re-appointment w.e.f. from 1st May, 2021 as per the terms and conditions of appointment as Independent Director, as displayed on the Company's website at the following weblink: http://chini.com/wp-content/uploads/2018/07/Terms_and_conditions_of_appointment_of_Non-Executive_Independent_Director.pdf	Appointment w.e.f. from 31st August, 2019 as per the terms and conditions of appointment as Independent Director, as displayed on the Company's website at the following weblink: http://chini.com/wp-content/uploads/2018/07/Terms_and_conditions_of_appointment_of_Non-Executive_Independent_Director.pdf

Remuneration last drawn by such person, if applicable	Rs. 17 Lakhs for Financial Year 2019-20, consisting of Sitting Fees of Rs. 3 Lakhs and Commission of Rs. 14 Lakhs.	Rs. 24 Lakhs for Financial Year 2019-20, consisting of Sitting Fees of Rs. 3 Lakhs and Commission of Rs. 21 Lakhs.	Rs. 9.20 Lakhs for Financial Year 2019-20, consisting of Sitting Fees of Rs. 1 Lakh and Commission of Rs. 8.20 Lakhs.
Remuneration sought to be paid	In terms of the Special Resolution passed by the Shareholders at the AGM held on 30th August, 2019.	In terms of the Special Resolution passed by the Shareholders at the AGM held on 30th August, 2019.	In terms of the Special Resolution passed by the Shareholders at the AGM held on 30th August, 2019.
Date of first appointment on the Board	15th November, 2016	21st May, 2016	31st August, 2019
Membership/ Chairmanship of Committees of the Board of the Company	Chairman of CSR Committee and Member of Audit Committee, Risk Management Committee and Nomination & Remuneration Committee	Member of CSR Committee	Member of Stakeholders' Relationship Committee
Other Directorships and Membership / Chairmanship of Committees of other Boards	Unlisted Companies (excluding foreign companies): • Biotechnology Industry Research Assistance Council Membership in other Board Committees: Nil Chairmanship in other Board Committees: Nil	Listed Companies (excluding foreign companies): • TIL limited • Jay Shree Tea and Industries Limited Unlisted Companies (excluding foreign companies): • Paharpur Cooling Towers Limited • Majhaulia Sugar Industries Private Limited • BP Commodities Private Limited • Gokul Leasing and Finance Private Limited • Salgurn Merchants Private Limited • Marbellous Trading Private Limited • Ansuya Agencies Private Limited • Ratnapriya Tracom Private Limited • Subhmangal Tracom Private Limited • Mukundah Commosales Private Limited • The Bengal Club Limited Membership in other Board Committees: • TIL limited – Stakeholders' Relationship Committee • Jay Shree Tea and Industries Limited – Audit Committee and Stakeholders' Relationship Committee • Paharpur Cooling Towers Limited – Audit Committee Chairmanship in other Board Committees: Nil	Listed Companies (excluding foreign companies): • TIL limited Unlisted Companies (excluding foreign companies): • South-Asian Management Technologies Private Limited Membership in other Board Committees: • TIL Limited – Audit Committee Chairmanship in other Board Committees: Nil
No. of shares held in the Company	Nil	Nil	Nil

Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None
No. of Meetings of the Board attended during the year	5 out of 6 (during the Financial Year 2019-20)	5 out of 6 (during the Financial Year 2019-20)	2 out of 2 (from 31st August, 2019 till 31st March, 2020)

Place: Kolkata
Date: 23rd June, 2020

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No. A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata-700020