

**Dham*pure* Speciality Sugars Ltd.**

25th Annual Report  
2016 - 2017

[www.sugarindia.com](http://www.sugarindia.com)

# 25th ANNUAL REPORT

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

#### **MR. SORABH GUPTA**

Chairman and Managing Director

#### **MR. MURLI MANOHAR**

Director (Independent)

#### **MR. DESHRAJ SINGH**

Director (Independent)

#### **MS. PRAVEEN SINGH**

(Woman) Director

### **AUDITORS**

M/S S PRASADAGARWAL & CO.

### **CHIEF FINANCIAL OFFICER**

Mr. Ghanshyam Tiwari

### **BOARD COMMITTEES**

#### **AUDIT COMMITTEE**

Mr. Deshraj Singh

Ms. Praveen Singh

Mr. Murli Manohar

### **NOMINATION AND REMUNERATION COMMITTEE**

Mr. Mr. Deshraj Singh

Ms. Praveen Singh

Mr. Murli Manohar

### **INVESTOR GRIEVANCES CUM**

### **STAKEHOLDER RELATIONSHIP COMMITTEE**

Mr. Mr. Deshraj Singh

Ms. Praveen Singh

Mr. Murli Manohar

### **REGISTRAR & SHARE TRANSFER AGENT**

#### **MAS Service Ltd.**

T-34, 2nd Floor, Okhla Industrial Phase-II,

New Delhi – 110020

### **REGISTERED OFFICE & WORKS**

Villageth-Pallawala, Tehsil-Dhampur

Distt. – Bijnor(U.P) – 246761

### **CORPORATE OFFICE & INVESTORS' RELATION CELL**

24, School Lane, Near World Trade Centre,

New Delhi – 110001

*E-mail: investor@sugarindia.com*

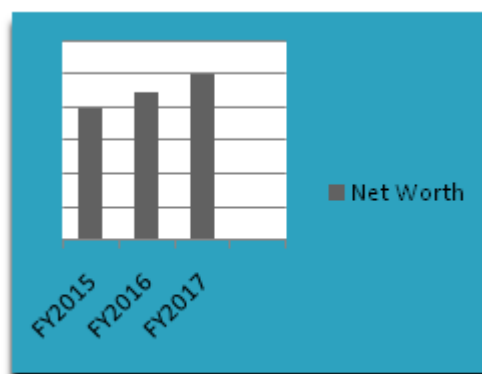
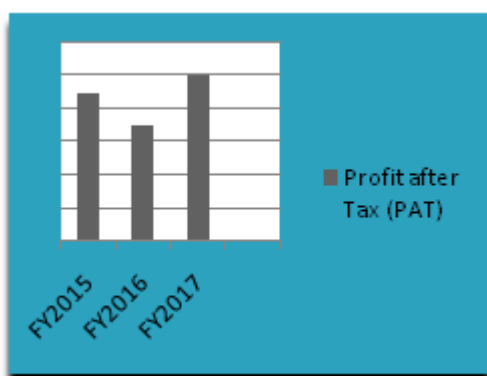
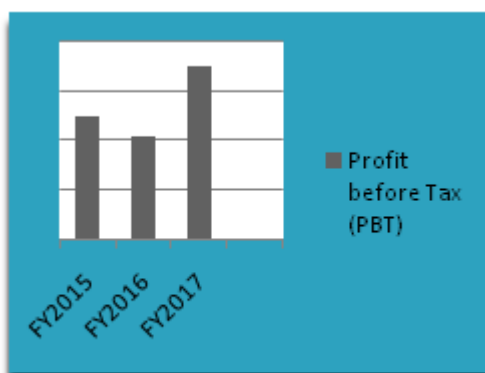
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## FINANCIAL HIGHLIGHT

(₹ in lakh)

Particular	FY17	FY16	FY15
Profit before Tax(PBT)	110.57	48.75	70.44
Profit after Tax(PAT)	74.42	37.94	45.94
Net Worth	2054.23	1979.80	1934.59



## NOTICE OF 25<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the members of Dhampur Speciality Sugars Limited will be held on Wednesday 27<sup>th</sup> September 2017 at 3.00 P.M at the registered office of the Villageteh Pallawala Tehsil Dhampur, Bijnor-246761, Uttar Pradesh.

To transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2017, the report of the board of directors and Auditor thereon.
2. To re-appoint Mr. Sorabh Gupta (DIN 00227776) who retire by rotation and being eligible, offers himself for reappointment .
3. To appoint Statutory Auditors of the company and to fix their Remuneration and if deemed fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** Pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, the company hereby approves the appointment of M/s. JLN US & CO., Chartered Accountant, (Firm Registration No. (101543W) as a Statutory Auditors of the company to hold office for a period of 5 consecutive years from the conclusion of this Annual General Meeting of the company till the conclusion of 30<sup>th</sup> Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), for Regularisation of Additional Director, Mr. Kaml Kumar the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, Mr. Kaml Kumar (DIN : 07875824), who was appointed as an Additional Director of the Company with effect from 11<sup>th</sup> August, 2017 on the Board of the company in terms of Section 161 (1) of the Companies Act, 2013, who hold office up to the date of this Annual General Meeting, be and is hereby appointed as an Director of the Company.

**“RESOLVED FURTHER THAT** Board of Director of the company be and is hereby authorised to do all acts, deeds and things as may be necessary for the purpose of giving effect to this Resolution on the behalf of the company.

**By order of the board  
For Dhampur Speciality Sugars Ltd.**

Sd/-

**Sorabh Gupta**  
Managing Director  
DIN:00227776

Date: 11<sup>th</sup> August, 2017  
Place : New Delhi

### NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto, if any.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. The Share Transfer Books and Register of Members of the Company will remain closed from Friday, 22<sup>nd</sup> September, 2017 to Wednesday, 27<sup>th</sup> September, 2017 (both days inclusive).
7. 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.
8. Electronic copy of the Notice of the 25<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 25<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
9. Voting through electronic means In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amend by the companies (Management and Administration Amedument Rule 2015 and Regulation 44 of SEBI (LODR) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote at the 25<sup>th</sup> Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL)

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The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- (i) Open email and open PDF file viz; "DSSL-remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password/PIN noted in step (a) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-voting opens. Click on remote e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" of DHAMPURE SPECIALITY SUGARS LIMITED.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
  - (xii) Institutional shareholders (*i.e.* other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [csanjanikr@gmail.com](mailto:csanjanikr@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :  
EVEN (E Voting Event Number) USER ID  
PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
  - (ii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call NSDL toll free no. 1800-222-990.
  - (iii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- (iv) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - (v) The e-voting period commences on 24<sup>th</sup> September, 2017 (9:00 am) and ends on 26<sup>th</sup> September, 2017 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - (vi) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 21<sup>st</sup> September, 2017.
  - (vii) Mr. Anjani Kumar, Company Secretary in whole time Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - (viii) The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, count the vote cast through remote e- voting in the presence of at least two witness not in the employment of the company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's report of the total vote cast in favour or against, if any to the chairman or person authorized by him in writing who shall be countersign the same.
  - (ix) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.sugarindia.com](http://www.sugarindia.com) and on the website of NSDL within time and the same shall be communicated to the BSE Limited.
  - (x) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays & Sundays, up to and including the date of the Annual General Meeting of the Company.

**EXPLANATORY STATEMENT PURSUENT TO THE PROVISION OF SECTION  
102 OF THE COMPANIES ACT, 2013 ("ACT")**

**Item No. 3**

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

The shareholder of the company at the Twenty Second Annual General Meeting (AGM) held on 30<sup>th</sup> September 2014 had approved at appointment of M/s S. Prasad Agarwal & Co., Chartered Accountants, as statutory auditor of the company, to hold office from the conclusion of the Twenty Second AGM till the Twenty Fifth AGM of the company to be held in the year 2017 (subject to ratification of their appointment at every AGM)

As per the provision of section 139 of the Act, no listed company can appoint or re-appoint a Audit firm for more than two terms of five consecutive years. Section 139 of the Act had also provided a period of three years from the date of commencement of the Act to comply with this requirement.

M/s S. Prasad Agarwal & Co., Chartered Accountants, complete their term at the conclusion of the ensuing Twenty Fifth AGM of the company and are not eligible to be re-appointed as statutory auditor of the company.

According the Board of Director has, as per the applicable provision of the Act and on the recommendation of the Audit Committee, at its Meeting held on 11<sup>th</sup> August 2017 proposed the appointment of **JLN US & Co. Chartered Accountants, (firm Registration No. 101543W/ F408211)** as the statutory auditor of the company for a period 5 years, commencing from the conclusion of Twenty fifth AGM till the conclusion of thirty AGM, to be held in the year 2022 (subject to ratification of their appointment by shareholder at every AGM, if so required under the Act).

JLN US & Co. Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limit specified under section 141 (3)(g) of the Act. They have also furnished a declaration in terms of section 141 of the Act that they are eligible to be appointed as auditor of the company and that they have not incurred any disqualification under the Act.

The Board recommends the resolution set out at item no. 3 of the accompanying notice for the approval by the

member of the company by way of the Ordinary resolution.

None of the other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the resolution mentioned at item no. 3 of the notice.

**Item No. 4**

This explanatory statement is provided though required as per Section 102 of the Act.

The Board of Directors of the Company had appointed Mr. Kamal Kumar (DIN. 07875824 as additional director of the company with effect from 11<sup>th</sup> August 2017. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Kamal Kumar shall hold office up to the date of the forthcoming Annual General Meeting. The Company has received notice under Section 160 of the Companies Act, 2013.

A brief profile of Mr. Kamal Kumar, including nature of her expertise, is provided at Corporate Governance Report of this Annual Report.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Kamal Kumar, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no.4 or approval of the Members.

**By order of the board  
For Dhampure Speciality Sugars Ltd.**

**Date: 11<sup>th</sup> August, 2017**

**Place: New Delhi**

**Sd/-  
Sorabh Gupta  
Managing Director  
DIN : 00227776**

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Details of the Director seeking re- appointment at the Annual General Meeting

[Pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Paragraph 1.2.5 of Secretarial Standard on General Meeting]

Particulars	Mr. Sorabh Gupta	Mr. Kamal
Date of Birth	26th August 1966	11th November 1957
Date of first appointment	01st October 1994 (First Director of the Company)	11th August 2017
Qualification	M. Tech Graduated	Post Graduated in Political Science
Expertise in Specific Functional area	Mr. Gupta has held the position of Director of the company since 01st October 1994. He was then appointed as the Managing Director of the company w.e.f 1st October 2015 for a period of 5 year. He was more then 23 year of international experience in sugar industry.	Mr. Kamal has an experience of over 15 years in sugar industry.
Directorship held in other Body Corporate as on date 31.03.2017	7 body corporate	Nil
Membership/ Chairmanship of Committee of other companies (including Audit Committee and stakeholder Relationship Committee) as on date 31.03.2017	1	Nil
Relationship with other Director	None	None



**Form No. MGT-11**
**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company	DHAMPURE SPECIALITY SUGARS LIMITED
Registered Office	VILLAGE PALLAWALA, TEHSIL-DHAMPUR DISTT. BIJNOR, U.P.-246761
Name of the Member(s)	
Registered Office	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We, being the member(s) of Dhampure Speciality Sugars Limited, having shares of the above named company. Hereby appoint

Name :	
Address:	
E-mail Id:	
Signature, or failing him	

Name :	
Address:	
E-mail Id:	
Signature, or failing him	

Name :	
Address:	
E-mail Id:	
Signature, or failing him	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the company, to be held on the Wednesday 27<sup>th</sup> September, 2017 at 3:00 p.m. at Village Pallawala, Tehsil-Dhampur, Distt. Bijnor (U.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

**Ordinary Business:**

- To receive consider and adopt the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2017, the report of the board of directors and Auditor thereon.
- To re-appoint Mr. Sorabh Gupta (DIN 00227776) who is liable to retire by rotation as the director.
- To the appoint M/s JLN US & Co. having firm Registration no. 101543W Chartered Accountants as Statutory Auditors for 5(five) financial year and fix their Remuneration for financial year 2017-18.

**Special Business :**

- To Regularization of Additional Director Mr. Kamal Kumar the following Resolution as an Ordinary Resolution.  
Signed this..... day of ..... 2017

Signature of Shareholder

Signature of proxy

Affix Revenue  
Stamps

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### DHAMPURE SPECIALITY SUGARS LTD.

CIN : L24112UP1992PLC014478

Regd. Office : Village - Pallawala, Tehsil - Dhampur, Distt. - Bijnor (U.P.)

E-mail : investor@sugarindia.com, Website : www.sugarindia.com

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### ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD / PIN	NO.OFSHARE (S)

The e-voting facility will be available during the following voting period

Commencement of e-voting	From 09.00 a.m. (IST) on September 24.2017
End of e-voting	Up to 05.00 p.m. (IST) on September 26.2017

The cut-off date (i.e. the record date) for the purpose of e-voting is 21st September, 2017. Please refer to the attached AGM Notice for instructions on E-Voting.

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### DHAMPURE SPECIALITY SUGARS LTD.

CIN : L24112UP1992PLC014478

Regd. Office : Village – Pallawala, Tehsil – Dhampur, Distt. - Bijnor (U.P.)

E-mail : investor@sugarindia.com, Website : www.sugarindia.com

### ATTENDANCE SLIP

Regd. Folio No. / DP ID - Client ID : .....

Name & Address of First/Sole Shareholder : .....

No. of Shares held : .....

I hereby record my presence at the 25th Annual General Meeting of the Company to be held on Wednesday, the 27th day of September, 2017 at 3:00 P.M. at Village-Pallawala, Tehsil-Dhampur, Distt.-Bijnor (U.P.)

.....  
Signature of Member/Proxy

#### Notes:

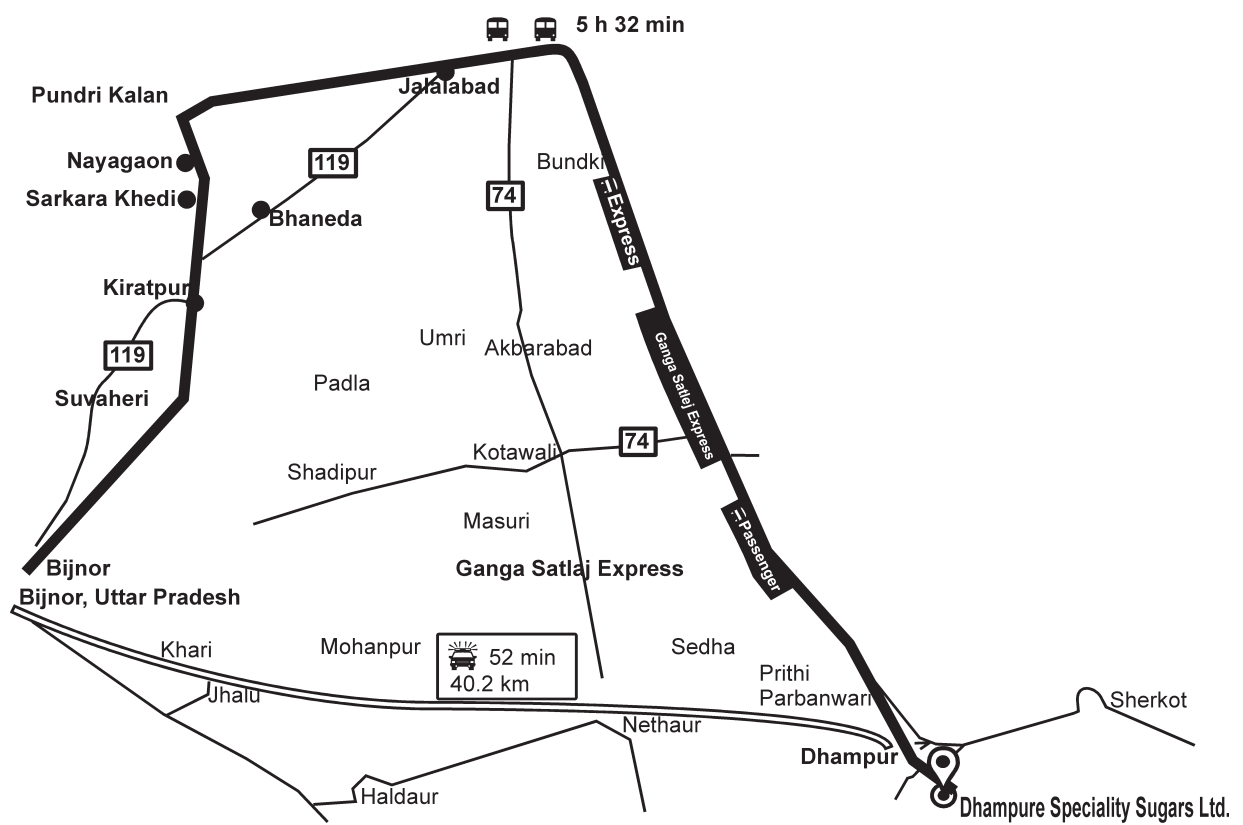
- Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- Member/Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.

**The procedure and instructions for e-voting is given hereunder for easy reference:**

- a. The initial password is provided in the box overleaf.
- b. Open e-mail and open PDF file viz."MBML- remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
- c. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- d. Click on Shareholder-Login.
- e. Put user ID and password as initial password noted in step (a) above. Click Login.
- f. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- g. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- h. Select "EVEN" of "DHAMPURE SPECIALITY SUGARS LIMITED".
- i. Now you are ready for remote e-voting as Cast Vote page opens.
- j. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- k. Upon confirmation, the message "Vote cast successfully" will be displayed.
- l. Once you have voted on the resolution, you will not be allowed to modify your vote.
- m. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e mail to [csanjanikr@gmail.com](mailto:csanjanikr@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- n. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- o. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- P. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- q. 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 of 21<sup>st</sup> September, 2017.
- r. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21<sup>st</sup>September, 2017, will be provided the notice through by post after the cut-off date. Such members may also obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@masserv.com](mailto:info@masserv.com) RTA MAS Services Limited. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- s. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- t. 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 through ballot paper.
- u. Mr. Anjani Kumar (Membership No. 9083) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- v. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- w. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- x. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.sugarindia.com](http://www.sugarindia.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the Stock Exchanges, where the shares of the Company are listed.

# 25th ANNUAL REPORT

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## DIRECTORS' REPORT

To,  
 The Members Dhampure Speciality Sugars Ltd  
 Your Directors are pleased to present the 25<sup>th</sup> Annual Report for the financial year ended on March 31<sup>st</sup>, 2017.

### 1. FINANCIAL RESULTS

<b>FINANCIAL RESULTS</b>	<b>Standalone</b>		<b>Consolidated</b>
	<b>2016-17</b>	<b>2015-16</b>	<b>2016-17</b>
Income from Operation	22,93,45,538.00	30,64,27,127.00	23,11,18,386.00
Other income	22,91,372.00	48,76,208.00	83,80,326.00
Profit before interest, depreciation and tax			
Finance Cost (including Interest)	4,97,864.00	4,18,269.00	28,80,844.00
Depreciation	9,92,943.00	77,32,690.00	16,46,262.00
Exceptional Item	0.00	0.00	0.00
Profit before Tax	79,22,729.00	17,59,492.00	11,05,74,14.00
Provision for			
– Current Tax	18,94,640.00	20,99,139.00	18,86,718.00
– Deferred tax	8,10,199.00	(15,06,908)	9,59,986.00
Profit after Tax	46,74,647.00	11,67,261.00	74,42,338.00
Extraordinary Item	0.00	0.00	0.00
Profit after tax including extraordinary item	46,74,647.00	11,67,261.00	74,42,338.00
Minority Interest			
<b>APPROPRIATIONS</b>			
Less:			
Dividend-Equity shares	0.00	0.00	0.00
Dividend Tax	0.00	0.00	0.00
General Reserve	12,76,89,616.00	12,30,14,969.00	13,34,11,098.00

### 2. OPERATIONS

During the year under review total income of the Company was Rs. 22,93,45,538 as against Rs. 30,64,27,127 in the previous year. The Company was able to earn a marginal profit for the year of Rs. 46,74,647 against a profit of Rs. 11,67,261. Your Directors are putting in their best efforts to improve the performance of the Company.

### 3. STATEMENT OF AFFAIRS OF THE COMPANY

Dhampure Speciality Sugars Ltd is incorporated under the Companies Act, 1956 having registered office at Villageteh Pallawala Tehsil Dhampur Bijnor, Uttar Pradesh-246761. The Company is listed at Bombay Stock Exchange. During the year Company earned a profit of Rs. 46, 74,647. Export sales of the company during the year is Rs. 42,22,660.

### 4. CHANGE IN NATURE OF BUSINESS OF THE COMPANY

There has been no change in the nature of business of the Company.

### 5. MATERIAL CHANGES ETC.

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31<sup>st</sup> March, 2017 and the date of this Report.

### 6. DIVIDEND

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

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### **7. SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2017 was Rs. 7,16,12,000. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

### **8. EXPORTS**

During the year under review total export sale of the Company was Rs.42,22,660 as against Rs. 59,97,271 in the previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

### **9. R & D**

Continuous efforts on R & D and Application Development activities are being made to expand the domestic and export markets particularly in Sugar Industry.

### **10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

### **11. DEPOSITS**

The Company has not accepted deposit from the public within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

### **12. DETAILS OF SUBSIDIARY COMPANIES**

As on 31<sup>st</sup> March, 2017 the company has four wholly owned subsidiaries viz-a-viz Dhampur Green Private Limited, Dhampur Rise Private Limited, Dhampure Healthcare Private Limited and Sun Burst Services Private Limited.

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

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as 'ANNEXURE 1' which forms part of this report.

### **14. LISTING**

At present, the equity shares of the Company are listed at BSE Ltd. The annual listing fees for the financial year 2017-18 to BSE has been paid.

### **15. CORPORATE GOVERNANCE**

The Company has complied with the provisions of Regulation 27(2) of the Listing Obligation Disclosure Requirements (LODR), 2015 relating to the Corporate Governance. The Report on Corporate Governance as stipulated under Regulation 27(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 forms part of the Annual Report. A Certificate from Company Secretary in Practice on compliance of Regulation 49(9) SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015.

Certificate of the CEO/CFO, inter-alia, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the internal control measures and reporting of matters to the Audit Committee in terms of Regulation of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges, is attached in the Corporate Governance Report and forms part of this Report as ANNEXURE 4.

### **16. DIRECTORS**

There is no change in the Board of Directors of the company during the financial year. Mr. Sorabh Gupta is liable to retire by rotation making herself eligible to be re-appointed on the Board. Pursuant to the provisions under Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6).

## 17. KEY MANAGERIAL PERSONNEL'S

Name	Designation
Mr. Sorabh Gupta	Managing Director
Mr. Ghanshyam Tiwari	Chief Financial Officer
Mr. Maninder Singh Gulati <sup>1</sup>	Company Secretary

1. Mr. Maninder Singh Gulati Resigned w.e.f. from 18/02/2017

## 18. POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached which forms part of this report.

## 19. PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP/EMPLOYEES

There are no employees who are in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached which forms part of this report.

## 20. MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year 4 (Four) Board Meetings and 4 (four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013.

## 21. BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc. Similarly, for evaluation of Individual Director's performance, the questionnaire covers various aspects like his/her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc.

Board members had submitted their response on a scale of 5(excellent) – 1 (poor) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including Chairman of the Board.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires. The Directors expressed their satisfaction with the evaluation process.

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### 22. COMPOSITION OF AUDIT COMMITTEE

As on 31st March, 2017, the Audit Committee of the Company comprises the following directors:

- Chairman : Mr. Murli Manohar (Independent Director)  
Members : Mr. Deshraj Singh (Independent Director)  
              Mrs. Praveen Singh (Non Executive Director)

### 23. AUDITORS STATUTORY AUDIT:

As per the provision of the section 139 (2) & (3) of companies Act 2013. Tenure of existing Auditor M/s S.P. Prasad Agarwal & Co, Chartered Accountants, ends on ensuing Annual general Meeting and company require to appoint new Statutory Auditor.

Accordingly; the Audit committee and the Board of Director respectively at their meeting held on 11<sup>th</sup> August 2017 have recommended the Appointment of M/s JLN & US Co.( FRN No. 101543W) Chartered Accountants, as Statutory Auditor of the company to hold office from conclusion of this Annual General Meeting till the conclusion of 30<sup>th</sup> Annual General Meeting.

M/s JLN & US Co. having FRN No. 101543W has given consent to act a statutory Auditor of the company confirming that their Appointment, if made would be in accordance with provision of the Section 139 & 140 of the companies Act 2013 read with the companies (Audit & Auditor) Rule, 2014 & Listing Regulation

Audit Committee and the Board of Director Recommend the Appointment of Statutory auditor of the company for financial year 2017-18 for a term of 5 Years.

### 24. SECRETARIAL AUDITORS

Your Board, during the year, appointed M/s Anjani Kumar & Associates, to conduct secretarial audit of the Company for the financial year ended 31st March, 2017. The Report of M/s Anjani Kumar & Associates in terms of Section 204 of the Act is provided in the "ANNEXURE 2' forming part of this Report. The observations (including any qualification, reservation, adverse remark or disclaimer) are self- explanatory.

### 25. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134 (3) (c) of the Companies Act, 2013, your Directors state that:

- (i) In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as of 31<sup>st</sup> March, 2017 and of the profits of the Company for the year ended on that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts of the Company have been prepared on a going concern basis.
- (v) Proper Internal Financial Controls were in place and that the Financial Controls were adequate and were operating effectively.
- (vi) Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### 26. CORPORATE SOCIAL RESPONSIBILITY COMMITTEES

The Company is not falling under the Section 135 of the Companies Act. So the applicability of Corporate Social Responsibility is not applicable on the Company.

### 27. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.



## **28. RISK MANAGEMENT POLICY**

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of SEBT (Listing obligation and Disclosure Requirements) Regulation 2015. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Internal Audit Department facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. Through this programme, each Function and Unit addresses opportunities and risks through a comprehensive approach aligned to the Company's objectives. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

Sustainability is embedded in the Corporate Enterprise Risk Management program, which gives an opportunity to increase the effectiveness of risk management practices and for improving business efficiency. The Company's social and environmental policies correlate strongly with the risk management strategy and ultimately the financial performance.

This risk management process, which is facilitated by internal audit, covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlights risks associated with chosen strategies. The current risk slate and the comprehensive risk policy have been further redefined during the year. The major risks forming part of the Enterprise Risk Management process are linked to the audit universe and are covered as part of the annual risk based audit plan.

## **29. VIGIL MECHANISM POLICY**

The Company has adopted a Vigil Mechanism Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

## **30. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as ANNEXURE 3.

## **31. RELATED PARTY TRANSACTIONS**

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' according to the policy of the Company on Materiality of Related Party Transactions. Your attention is drawn to the Related Party disclosures set out in Note no. 26 of the Financial Statements.

## **32. STATUTORY STATEMENTS**

As per the requirements of the Companies Act, 2013, the following information is given in separate statements annexed hereto, which form part of this report:

- a) Energy conservation, technology absorption and foreign exchange inflow/outgo pursuant to section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. Annexure 1
- b) Secretarial Audit Report (Form MR 3). Annexure 2
- c) Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014. Annexure 3.
- d) Corporate Governance report Annexure 4

## **33. PREVENTION OF SEXUAL HARASSMENT**

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. Its redressal is placed on the intranet for the benefit of its employees. During the year under review, no complaints were reported to the Board.

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### 34. APPRECIATION

Your Directors wish to place on record their appreciation of continued support extended by the dealers, distributors, suppliers, investors, bankers, financial institutions. Your Directors also express their appreciation for the committed services by the employees of the Company.

### 35. CHANGE IN TAXATION ACT AND RULES:

The GOI has enacted GST Act 2017 along with IGST Act 2017, SGST Act 2017, and UTGST Act 2017 and for implementation informed w.e.f. July 1<sup>st</sup>, 2017. Your company management is working and necessary preparation in accounting system. Accordingly and necessary Training session are being conducting in house seminar & workshop conducted by professional Bodies, CII, State Govt., Commercial Department etc. the transaction is expected to be smooth.

### 36. TOP TEN EMPLOYEE DETAILS

SI. No.	NAME OF EMPLOYEE	DESIGNATION	SALARY DRAWN DURING THE YEAR
1	Mr. Ghanshyam Tiwari	CFO	7,50,000/-
	Mr. Siddarth Ujjain	Marketing	7,20,000/-
2	Mrs. Sarika Singh	Marketing Manager	4,68,000/-
3	Mrs. Usha Kumari	Manager Admin	4,02,000/-
4	Mrs. Usha Rani	Administration	3,60,000/-
5	Mr. Maninder Singh Gulati	Company Secretary	3,00,000/-
6	Mr. Nanda Ballabh	Accounts Executive	2,76,000/-
7	Mr. R. Gandhi	Marketing Manager	2,70,000/-
8	Mr. Jagdish Kashyap	Marketing	2,40,000/-
9	Mr. Majhar Khan	Accountant	2,40,000/-
10	Mr, Pranav Rastogi	Marketing	2,16,000/-

#### On behalf of the Board

Sd/-  
**Sorabh Gupta**  
Managing Director  
DIN: 00227776

Sd/-  
**Murli Manohar**  
Director  
DIN: 01173857

Place: New Delhi  
Date: 11<sup>th</sup> August, 2017

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## MANAGEMENT DISCUSSION AND ANALYSIS

### INDIAN ECONOMIC OVERVIEW

India's positive GDP growth indicates that the economy is expanding as against the subdued economic growth in the developed countries and other parts of Asia. One more reason for India doing well is that oil and commodity prices have plummeted. Besides this, the country is largely a consumption-driven economy that is not too dependent on foreign trade. Initiatives like 'Make in India', plans to set up a dedicated freight corridor and developing a low-carbon economy by laying a keen emphasis on generating renewable energy have brightened long-term prospects for the country's economy. The Indian economy has been riding high since last year and in purchasing power parity terms has made its way among the top five countries in the world.

### SUGAR INDUSTRY

Global overview Sugar is one of the most used commodities in the world. Sugarcane, besides the main source of sugar, is generally regarded as one of the most significant and efficient sources of biomass for bio-fuel (ethanol) production. Strong linkages between world sugar and oil prices have emerged in recent years, driven in part by the relationships between sugar as the primary ethanol feedstock in Brazil, the dominant producer and exporter of both sugar and ethanol in the world.

### GROWTH PROSPECTS

The higher demand in the domestic market was a result of the increase in the mandated percentage of ethanol blending in gasoline from 25 to 27% and the increase in federal and state taxes for gasoline. India is the world's largest consumer and second-largest producer of sugar. China's production is projected at 10.6 million tonnes, down by 400,000 tonnes on account of a decline in planted area due to high production costs. (Source: usda.gov)

The primary reason for the global sugar industry's bullish outlook stems from a prospective increase in demand. Moreover, small changes in the import needs of multiple countries will also lead to a significant spike in demand for sugar. This bullish trend in the global sugar markets will lead to a rise in the price of sugar in India as well. This means that the world's second-largest supplier will sell more in the domestic market and less abroad. So, while expectations for Indian exports were bearish for the market six months ago, the estimates are being lowered.

### INDUSTRY ANALYSIS AND TRENDS

During the five years leading to 2016, the global sugar manufacturing industry had to contend with unstable production and price levels. Adverse weather conditions and increasing diversion of stocks to ethanol production reduced sugar production, therefore inflating the price of the commodity. This benefited the industry until 2012, when prices crashed due to high global production and healthy stock-to-use ratio. Prices continued to decline throughout the period, thereby pushing revenues down, which resulted in minimal industry growth. Till 2020, the industry is expected to prosper due to rising demand for renewable energy, growing global sugar consumption and favourable governmental policies.

### INDUSTRY INVESTMENTS

The global sugar industry is labor and capital-intensive. However, the introduction of new technologies and the adoption of greater automation have reduced manual intervention. This is particularly true in sugar refining, where, in the past decade, high-speed production lines have dramatically increased throughputs. This has allowed manufacturers to raise production levels significantly without requiring corresponding increase in manpower

### INDIAN SUGAR INDUSTRY AT A GLANCE

The Indian sugar industry has contributed a lot to the rural economy of India. The sector has by commercializing rural resources for meeting the large domestic demand of sugar and generating surplus energy to meet the ever-increasing energy needs of India. With an annual production capacity of over 30 million metric tonnes, the Indian sugar industry is the second largest producer in the world. It is also the second-largest agro-based industry in the country (after cotton). The sugar industry supports 50 million farmers and their families.

### OUTLOOK

According to ISMA, from the beginning of the current sugar season till 30th of April 2016, sugar mills have produced 11% lower sugar. And even though most of the mills have stopped crushing cane, 48 are still continuing their crushing activity as compared to 97 that were operating last year. Due to this drop in production, India will have a low output of sugar but the sufficient stock will ensure that demands are met. On the consumption side, strong domestic demand from soft drink manufacturers, confectionaries, hotels, bakeries and ice cream manufacturers will support higher levels of off take. India's relatively strong economic growth, stable political situation, rising incomes, a young population and changing consumer consumption patterns are envisaged to be the key drivers, encouraging higher sugar consumption. However, strong domestic demand will limit the extent of price correction. Thus the Indian sugar industry has turned around and has recovered the long pending dues that were owed to farmers. The mills have been able to pay the farmers back due to the strong policy initiatives undertaken, which includes an increase in blending ethanol with petrol that has saved the country from nearly \$300 million worth of oil imports.

(Source: Care Ratings, KPMG, Economic Times, ISMA)

**ANNEXURE 1**

**Conservation of Energy, Technology Absorption, Foreign Exchange Earnings sand Outgo**

<b>Conservation of Energy</b>	
(i) Steps taken or impact on conservation of energy	No steps taken during the year. Though Company is trying to find out various alternatives in relation to conservation of energy
(ii) Steps taken by the Company for utilizing alternate sources of energy	No steps taken during the year. Though Company is trying to find out various alternatives in relation to conservation of energy
(iii) Capital investment on Energy Conservation equipment	During the year 2016-17 there was no Capital Investment in the Company on Energy Conservation equipment
<b>Technology Absorption</b>	
(i) The efforts made towards technology absorption	Nil
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
a) the details of technology imported;	Nil
b) the year of import;	Nil
c) whether the technology been fully absorbed;	Nil
d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Nil
(iv) the expenditure incurred on Research and Development.	Nil
<b>Foreign Exchange Earnings &amp; Outgo</b>	
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Rs. 42,22,660.

**ANNEXURE 2**

**FORM NO. MR - 3**  
**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended on 31-03-2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**DHAMPURE SPECIALITY SUGARS LIMITED**

VILLAGETEH PALLAWALA TEHSIL DHAMPUR  
BIJNOR, UTTAR PRADESH-246761

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31-03-2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by DHAMPURE SPECIALITY SUGARS LIMITED for the financial year ended on 31-03-2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act 2013 and dealing with client;
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Following specific laws applicable to company :

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- Food Safety And Standards Act, 2006
- Export (Quality Control and Inspection) Act, 1963
- Agricultural and Processed Food Products Export Act, 1986

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd (BSE ) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the provision of appoint internal auditor not complied with.

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I 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. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues.

Place: Ghaziabad  
Date: 29<sup>th</sup> May 2017

FOR ANJANI KUMAR & ASSOCIATES  
COMPANY SECRETARIES

Sd/-

**ANJANI KUMAR**

(PROPRIETOR)

CP NO 8830, 9083

### **Note:**

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

## “ANNEXURE A”

The Members,

**DHAMPURE SPECIALITY SUGARS LIMITED**

VILLAGETEH PALLAWALA TEHSIL DHAMPUR

BIJNOR, UTTAR PRADESH-246761

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **ANJANI KUMAR & ASSOCIATES**  
COMPANY SECRETARIES

Sd/-  
ANJANI KUMAR  
(PROPRIETOR )  
CP NO 8830, 9083

Date: 29<sup>th</sup> May 2017

**ANNEXURE 3**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON  
31<sup>ST</sup> MARCH, 2017**

**[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	L24112UP1992PLC014478
ii. Registration Date	22/06/1992
iii. Name of the Company	DHAMPURE SPECIALITY SUGARS LIMITED
iv. Category / Sub-Category of the Company	Company having Share Capital
v. Address of the Registered office and contact details	VILLAGETEH PALLAWALA TEHSIL DHAMPUR BIJNOR UTTAR PRADESH- 246761
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Mas Services Limited T-34, 2nd floor, Okhla Industrial Area, Ph-II New Delhi 110 020 Ph: 011- 26387281/82/83

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ service	to total % turnover of the company
1.	Wholesale of edible oils, fats, sugar and processed Manufactured spices etc	51225	98.43%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Dhampur Green Private Limited (formerly S.T. Foods Pvt. Ltd)	U15500DL2011PTC226547	Subsidiary	100%	
2.	Dhampur Rise Private Limited (Formerly Mumbai Airport Hospitality Pvt.Ltd)	U55101DL2013PTC248232	Subsidiary	100%	
3.	Dhampure Healthcare Private Limited (Formerly Leisure Furnishings Pvt. Ltd)	U18109DL2012PTC246703	Subsidiary	100%	
4.	Sun Burst Services Private Limited. (Formerly known as Ujjwal Technical Services Pvt. Ltd.)	U72900HR2013PTC050750	Subsidiary	100%	



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i. Category-wise Share Holding**

	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during Shares
	Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/ HUF	27,33,213	NIL	27,33,213	38.17	27,41,813	NIL	27,41,813	38.29	0.12
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other	7,80,850	NIL	7,80,850	10.90	7,80,850	NIL	7,80,850	10.90	NIL
<b>Sub-total(A)(1):-</b>	<b>35,14,063</b>	<b>NIL</b>	<b>35,14,063</b>	<b>49.07</b>	<b>35,22,663</b>	<b>NIL</b>	<b>35,22,663</b>	<b>49.19</b>	<b>0.12</b>
<b>2) Foreign</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
g) NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
j) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
k) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (A)(2):-</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
Total Shareholding of Promoter and Promoter Group(A)									
<b>= (A)(1) + (A) (2)</b>	<b>35,14,063</b>	<b>NIL</b>	<b>35,14,063</b>	<b>49.07</b>	<b>35,22,663</b>	<b>NIL</b>	<b>35,22,663</b>	<b>49.19</b>	<b>0.12</b>
<b>B. Public Shareholding</b>									
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(1)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2. Non Institutions</b>									

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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>a) Bodies Corp.</b>	906157	14800	920957	12.86	750218	13700	763918	10.67	2.19
(i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Overseas									
<b>b) Individuals</b>	15,74,193	2,01,100	17,75,293	24.79	16,04,420	2,00,900	18,05,320	25.20	0.41
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7,89,803	NIL	7,89,803	11.02	98,66,95	NIL	98,66,95	13.77	2.75
<b>c) Others (Specify)</b>	1,38,441	NIL	1,38,441	1.93	65,192	NIL	65,192	0.91	1.01
Clearing Member									
<b>D) Non Resident Indain</b>	22,643	NIL	22,643	0.32	8410	NIL	8410	.11	0.20
<b>e) Any other Specify</b>	NIL	NIL	NIL	NIL	8002	NIL	8002	0.11	0.11
OCB									
<b>f) NBFC Reg. with RBI</b>	NIL	NIL	NIL	NIL	1000	Nil	1000	0.01	0.01
Sub-total (B)(2)	34,31,237	2,15,900	36,47,137	50.92	34,23,937	2,14,600	36,38,537	50.80	0.12
Total Public Shareholding (B) = (B)(1)+ (B)(2)	34,31,237	2,15,900	36,47,137	50.92	34,23,937	2,14,600	36,38,537	50.80	0.12
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total(A+B+C)</b>	<b>69,45,300</b>	<b>2,15,900</b>	<b>71,61,200</b>	<b>100</b>	<b>69,46,600</b>	<b>2,14,600</b>	<b>71,61,200</b>	<b>100</b>	

### ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	Mr. SORABH GUPTA	27,33,213	38.17	NIL	27,41,813	38.29	NIL	0.12
2.	Ms. REENA GUPTA	6,87,250	09.60	NIL	6,87,250	09.60	NIL	NIL
3.	Mr. Narendra Kumar Gupta	93,600	01.31	NIL	93,600	01.31	NIL	NIL
	<b>Total</b>	<b>35,14,063</b>	<b>49.07</b>	<b>NIL</b>	<b>35,22,663</b>	<b>49.19</b>	<b>NIL</b>	<b>.012</b>

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

Sr. No.		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
	At the beginning of the year	35,14,063	49.07		
	03.11.2016	8600	0.12	35,22,663	49.19
	At the end of the year			35,22,663	49.19

**iv. Shareholding of Directors and Key Managerial Personnel**

Sr. No.		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	<b>Mr. Sorabh Gupta</b>				
	At the beginning of the year 01.04.2016	27,33,213	38.17		
	Increase/Decrease 03.11.2016	8600	0.12	2741813	38.29
	At the End of the year 31.03.2017	2741813	38.29	2741813	38.29
2	<b>Mr. Murli Manohar</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
3	<b>Mr. Deshraj Singh</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
4	<b>Mrs. Praveen Singh</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
5	<b>Mr. Ghanshyam Tiwari</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
6	<b>Mr. Maninder Singh Gulati</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

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### V. Shareholding Pattern of Top ten Shareholder (other than Director Or Promoters and Holder of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholder	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	CHARTERED FINANCE AND LEASING LTD	3,32,000	4.63	319345	4.45
2	WEGMANS FINANCIAL SERVICES LIMITED	101011	1.41	101011	1.41
3	DWARAKADHISH TRADING PVT LTD	2.34	168000	2.34	1,68,000
4	JAYA VREJESH SHAH	1,00,000	1.39	1,00,000	1.39
5	LATIN MANHARLAL SECURITIES	90,095	1.25	90,095	1.25
6	RANI GOPALDAS SAMANT	NIL	NIL	68,000	0.95
7	RANJANA SURENDRA BAGARIA	54,550	0.76	54,550	0.76
8	SARIKA SINGH	48,200	0.67	48,200	0.67
9	RASHMI NAVINBHAI MEHTA	NIL	NIL	37,626	0.52
10	SALONI VISHAL PARIKH	NIL	NIL	31000	0.43

### VI. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	30,80,496	NIL	NIL	30,80,496
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i + ii + iii)	30,80,496	NIL	NIL	30,80,496
Change in Indebtedness during the financial year				
– Addition	NIL	NIL	NIL	NIL
– Reduction	30,80,496	NIL	NIL	30,80,496
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL			NIL
iii) Interest accrued but not due				
Total (i + ii + iii)	NIL	NIL	NIL	NIL

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD	Total Amount
1.	<b>NAME</b>	<b>Mr. Sorabh Gupta</b>	
2.	Gross salary	24,00,000	24,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
3.	Stock Option	NIL	NIL
4.	Sweat Equity	NIL	NIL
5.	Commission – as % of profit – others, specify...	NIL	NIL
6.	Others, please specify	NIL	NIL
7.	<b>Total (A)</b>	<b>24,00,000</b>	<b>24,00,000</b>
	Ceiling as per the Act	Rs.42 Lakh by Ordinary Resolution for Five Year and Compliance sheet Other Condition  Rs. 84 Lakh for Three years. as per schedule v of the Companies Act,2013	

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Murli Manohar	Mr. Deshraj Singh	
	<b>Independent Directors</b>			
	• Fee for attending board committee meetings	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL
	<b>Total (1)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Other Non-Executive Directors</b>			
	• Fee for attending board committee meetings	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL
	<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total (B) = (1+2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act	This ceiling limit is not applicable because company is paying sitting fees to the independent Director		

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### C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		CFO & Company Secretary	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,40,000 NIL	9,40,000 NIL
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section17(3) Income-tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission – as % of profit – others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
6.	<b>Total</b>	<b>9,40,000</b>	<b>9,40,000</b>

### VIII. 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)
<b>A. Company</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. Directors</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. Other Officers In Default</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

#### On behalf of the Board

Sd/-  
**Sorabh Gupta**  
Managing Director  
DIN: 00227776

Sd/-  
**Murli Manohar**  
Director  
DIN: 01173857

Place: New Delhi  
Date: 11<sup>th</sup> August, 2017

**COMPLIANCE CERTIFICATE UNDER REG. SCHEDULE V (E) SEBI  
(LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION 2015**

We have examined the compliance of conditions of Corporate Governance by Dhampure Speciality Sugar Limited (“the Company”) for the year ended March 31, 2017 as stipulated in Regulation 34 (3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 of the company with the stock exchanges.

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

In our opinion and to the best of our information and explanation give to us, and as per representations made by Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For Anjani Kumar & Associates**

Sd/-  
COMPANY SECRETARY  
New Delhi  
11th August, 2017

Sd/-  
**Anjani Kumar**  
C. P. 8830

**ANNEXURE 4**  
**REPORT ON CORPORATE GOVERNANCE**

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

For Company, maintaining the highest standards of corporate governance is not a matter of mere form but also of substance. It is an article of faith, a way of life, and an integral part of the Company's core values. Your company is committed for adopting best global practice of Corporate Governance. The philosophy of Corporate Governance as manifested in the Company's functioning is to achieve business excellence by enhancing long term shareholders value and interest of its entire shareholders. Efficient conduct of the business of the company through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks of the best practices already followed by the Company.

The Company's compliance of Corporate Governance guidelines of the Listing Agreement is as follows:

**A. COMPOSITION OF THE BOARD AND RECORD OF OTHER DIRECTORSHIPS HELD**

Name of the Director	Category	Designation	No. of other Directorships	Total No. of Chairmanships/Memberships of Board Level Committees		
			Held	Chairmanship	Membership	Total
Mr. Sorabh Gupta	Promoter Director	Chairman & Managing Director	7	1	Nil	1
Mr. Murli Manohar	Independent Non-Executive Director	Director	Nil	Nil	Nil	Nil
Mr. Deshraj Singh	Independent Non-Executive Director	Director	Nil	Nil	Nil	Nil
Ms. Praveen Singh	Woman Non-Executive Director	Director	3	Nil	Nil	Nil

The Company is managed and controlled through a professional body of Board of Directors, which comprise of an optimum combination of Executive and Non-Executive Independent Directors headed by the Chairman. The present strength of Board of Directors is Four (4), out of which two (2) are Executive Director and two (2) are Independent Non-Executive Directors. The Company's Board consists of eminent persons with considerable professional expertise and experience. The independent directors do not have any pecuniary relationship or transactions with the company, promoters, and management, which may affect independence or judgement of the Directors in any manner.

The composition of the Board of Directors of the Company is in conformity with the provisions of SEBI( Listing Obligation and Disclosure Requirement) Regulation, 2015 with the Stock Exchanges. The structure of the Board and record of other Directorships, Committee memberships & Chairmanships and shareholding in the Company as on March 31, 2017 is as under:

**Notes:**

- I. The Directorships held by Directors as mentioned above, do not include alternate Directorship, Directorships of Foreign Companies, and section 8 Companies.
- II. In accordance with SEBI( Listing Obligation and Disclosure Requirement) Regulation, 2015 , Membership(s)/ Chairmanship(s) of only the Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies have been considered.
- III. None of the Directors is a member of more than 10 Board-level committees of public Companies in which they are Directors, nor is chairman of more than 5 such committees.



Name of the Director	Number of Board Meetings held during tenure of Directors and attended by them	
	Held	Attended
Mr. Sorabh Gupta	4	4
Mr. Murli Manohar	4	4
Mr. Deshraj Singh	4	4
Mrs. Praveen Singh	4	4

## B. BOARD MEETINGS:

### 1. Scheduling and selection of agenda items for Board Meetings

The months for holding the Board Meetings in the ensuing year are usually decided in advance and most Board Meetings are held at the Company's corporate office in New Delhi. The agenda for each meeting, along with explanatory notes, is sent in advance to the Directors. The Board meets at least once in a quarter to review the quarterly results and other items on the agenda.

### 2. Number of Board Meetings

The Board of Directors of the Company met Four times on 29<sup>th</sup> May, 2016, 13<sup>th</sup> August, 2016, 12<sup>th</sup> November, 2016, 13<sup>th</sup> February, 2017, during the financial year ended 31<sup>st</sup> March, 2017. The maximum time gap between any two meetings was not more than one hundred twenty days.

### 3. Record of the Directors' attendance at Board Meetings and AGM

### 4. Availability of information to the Board

The Board has unfettered and complete access to any information within the Company and to any employee of the Company. Necessary information as mentioned in Annexure- of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 has been regularly placed before the Board for its consideration.

## C. FAMILIARISATION PROGRAMME FOR DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and other relevant regulations and affirmation taken with respect to the same. Further the Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The CFO & Company Secretary, business heads and other senior officials of the Company make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

## D. BOARD LEVEL COMMITTEES

In accordance with the Listing Agreement with the Stock Exchanges on Corporate Governance, the following committees were in operation:

1. Audit Committee
2. Investor Grievance cum Stake Holders Relationship Committee
3. HR, Nomination and Remuneration Committee

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## 1. AUDIT COMMITTEE

### • Terms of reference

The Audit Committee acts as a link between the Statutory and the Internal Auditors and Board of Directors. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit Activities. Majority of the members are Non-executive Directors and each member has rich experience in financial sector. The Committee is governed by a charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

### Composition of Audit Committee

The Audit Committee, as on March 31, 2017 consisted of the following three Directors who are eminent professionals and possess sound knowledge in finance:

Chairman : Mr. Murli Manohar  
Member ; Mr. Deshraj Singh  
Mrs. Praveen Singh

### • Meetings and attendance during the year

The Audit Committee met four times during the financial year from April 1, 2016 to March 31, 2017:

1. 29<sup>th</sup> May, 2016
2. 13<sup>th</sup> August, 2016
3. 12<sup>th</sup> November, 2016
4. 13<sup>th</sup> February, 2017

The attendance record of the audit committee members is given in following table:

Names of the Audit Committee members	Number of Audit Committee Meetings held and attended during the tenure of Directors
Mr. Murli Manohar	4
Mr. Deshra Singh	4
Mrs. Praveen Singh	4

### • INVESTOR GREIVANCE CUM STAKEHOLDER RELATIONSHIP COMMITTEE

#### Terms of reference

This Committee was constituted specifically to review compliance of rules and regulations, to redress shareholder's grievance and to provide suggestions and further in pursuant to section 178(5) of Companies Act, 2013, the earlier Share Transfer And Investor Grievance Committee was reconstituted to be called as **INVESTOR GREIVANCE CUM STAKE HOLDERS RELATIONSHIP COMMITTEE**. To expedite the process of share transfers the Board has delegated the power of share transfer to M/s Mas Services Ltd viz. Registrar and Share Transfer Agents who attend the share transfer formalities at least once in a fortnight.

Terms of reference of the Investor Greivance Cum Stake Holders Relationship Committee are as per the guidelines set out in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges which inter-alia include looking into the investors complaints on transfer of shares, non receipt of declared dividends etc and redressal thereof.

#### • Composition of Investor Greivance Cum Stake Holders Relationship Committee

The Investor Greivance Cum Stake Holders Relationship Committee is headed by an Independent Director and presently consisted of the following members as on March 31, 2017:

Chairman : Mr. Murli Manohar  
Members : Mr. Deshraj Singh  
Mrs. Praveen Singh

Company Secretary : Company Secretary of the Company is Company secretary of the Committee

**Meetings and attendance during the year**

The Investor Greivance Cum Stakeholders Relationship Committee met four times during the financial year from April 1, 2016 to March 31, 2017:

1. 29<sup>th</sup> May 2016
2. 13<sup>th</sup> August 2016
3. 12<sup>th</sup> November 2016
4. 13<sup>th</sup> February 2017

The attendance record of the Investor Greivance Cum Stakeholders Relationship Committee members is given in following table:

Names of the Investor Greivance Cum Stakeholders Relationship Committee members	Number of Investor Greivance Cum Stakeholders Relationship Meetings	
	Held during the tenure of Directors	Attended
Mrs. Praveen Singh	4	4
Mr. Murli Manohar	4	4
Mr. Deshraj singh	4	4

- **Compliance Officer**

The Compliance Officer for this committee is Company Secretary of the Company.

- **Shareholders' Complaints etc. received during the FY- 2016-17**

During the year from April 1, 2016 to March 31, 2017 the Company received Total No. of Complaint 3. The same were attended to the satisfaction of the Investors. At the end of March 31, 2017, no complaint was pending for redressal and there were no pending share transfers as on March 31, 2017.

**3. HR, NOMINATION AND REMUNERATION COMMITTEE**

- **Terms of reference**

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

- **Composition of Remuneration Committee**

In compliance with Section 178(1) of the Companies Act, 2013, Remuneration Committee is being reconstituted as HR, Nomination and Remuneration Committee w.e.f 30<sup>th</sup> May, 2014 and is headed by an Independent Director and consists of the following members:

Chairman : Mr. Murli Manohar

Members : Mr. Desh Raj Singh

Mrs. Praveen Singh

Names of the HR, Nomination and Remuneration tenure of Committee members	Number of Meetings held during the Directors	
	Held	Attended
Murli Manohar	4	4
Desh Raj Singh	4	4
Mrs. Praveen Singh	4	4

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- **Compliance Officer**

The Compliance Officer for this committee, at present, is Company Secretary of the Company.

- **REMUNERATION POLICY**

**Remuneration to Non-Executive Independent Directors**

The Non-Executive Independent Directors are paid remuneration by way of Sitting Fees. The Non-Executive Independent Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The no sitting fees paid during the Financial Year 2016-17. The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

**A. Remuneration to Executive Directors**

The appointment and remuneration of Executive Directors including Chairman and Managing Director is governed by the recommendation of the HR, Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package of Chairman and Managing Director comprises of salary, perquisites, allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

- **Remuneration Paid to Directors**

Following tables gives the details of remuneration paid to directors, during the year from April 01, 2016 to March 31, 2017:

- **Remuneration to Executive Directors**

SI. No.	Particulars	Designation	Salary pm (Rs.)	Commission (Rs. in Crores)	Contribution to provident & Superannuation Funds	Benefits	Total Amount pm (Rs.)
1.	Mr. Sorabh Gupta	Chairman & Managing Director	2,00,000	Nil	Nil	Nil	2,00,000

- **No remuneration paid to Non- Executive Director.**

**E. FAMILIARISATION PROGRAMME FOR DIRECTORS**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman and Managing Director also has one to one discussion with the newly appointed Director to familiarise him with the Company's operations. Further the Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The CFO & Company Secretary, business heads and other senior officials of the Company make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

**F. INDEPENDENT DIRECTORS**

The Company has complied with the definition of Independence as per SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

**a. Training of Independent Directors**

Whenever new Non-Executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

**b. Performance Evaluation of non-executive and Independent Directors**

The Board evaluates the performance of Non-Executive and Independent Directors every year.

All the Non-Executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration.

Their presence on the Board is advantageous and fruitful in taking business decisions.

**c. Separate Meeting of the Independent Directors**

The Independent Directors held a Meeting on 29<sup>th</sup> May, 2016, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- I. Reviewed the performance of non-independent directors and the Board as a whole;
- II. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- III. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**E. GENERAL BODY MEETINGS**

**Date/Venue/Time of previous three Annual General Meetings:**

Year	Place	Date	Time	Special Resolution Passed
2015-16	Village-Pallawala Dhampur	30 <sup>th</sup> Sepember, 2016	3.00P.M.	No
2014-15	Village-Pallawala Dhampur	30 <sup>th</sup> Sepember, 2015	2.00 P.M	Yes
2013-14	Village-Pallawala Dhampur	30 <sup>th</sup> Sepember, 2014	2.00 P.M	No

No Resolution was passed through postal ballot, during the financial year 2016-17

**E. AFFIRMATIONS AND DISCLOSURES:**

**1. Compliance with Mandatory requirements of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 of the Listing Agreement**

The Company has complied with all the applicable mandatory requirements of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

**Related Party Transactions:** All transactions entered into with Related Parties as defined Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for approval.

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and carried out on an arm's length basis or fair value.

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3. The Company has complied with the requirements of stock exchanges or SEBI on matters related to Capital Markets, as applicable. No penalty was levied by these authorities in last three years.
4. **Code of Conduct:** The Company has adopted a Code of Conduct for the members of the Board of Directors and the senior management of the Company. The Code of Conduct is displayed on the website of the Company. All the directors and the senior management personnel have affirmed compliance with the code for the financial year ended 31<sup>st</sup> March 2017. A declaration to this effect, signed by the Chairman & Managing Director is annexed to this report.
5. **Whistleblower Policy:** In accordance with requirement of Companies Act as well as Listing Agreement a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. No personnel of the Company has been denied access to the Audit committee.
6. The necessary certificate, pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with stock exchanges, is annexed to this report.
7. The Company Secretary has a key role to play in ensuring the Board procedures and statutory compliances are properly followed. A certificate from the Company Secretary indicating the compliance of Companies Act, 2013 and Listing Agreement has been annexed to this report.
8. **Management Discussion and Analysis Report:** The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.
9. **Compliance Certificate from Practicing Company Secretary:** Certificate from Practicing Company Secretary confirming compliance with conditions of corporate governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is annexed to this report.
10. Other disclosures as required under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 has been given at relevant places in the Annual Report.

### G. MEANS OF COMMUNICATION/INVESTORS' COMMUNICATION

- The quarterly and half-yearly/Annual financial results are forthwith communicated to the Bombay Stock Exchange (BSE), where the shares of the Company are listed, as soon as they are approved and taken on record by the Board of Directors.
- Financial Results are published in leading newspapers, one English newspaper and one Hindi newspaper.
- The financial results are also put up on Company's website [www.sugarindia.com](http://www.sugarindia.com).

### H. INFORMATION TO SHAREHOLDERS

#### 1. REGISTERED OFFICE

- Villageteh Pallawala Tehsil, Bijnor, Uttar Pradesh-246761

#### 2. ANNUAL GENERAL MEETING

The date, time & venue of the next Annual General Meeting and the next Book Closure date will be as per the Notice calling the Annual General Meeting.

#### 3. WEBSITE

The address of the Company's web site is [www.sugarindia.com](http://www.sugarindia.com)

#### 4. LISTING ON STOCK EXCHANGES

The names of the stock exchanges at which Company's shares are listed as on 31<sup>st</sup> March, 2017 and details of "Stock Codes" are as mentioned below:

##### **Name of the Stock Exchange Stock Code**

Bombay Stock Exchange Ltd. **531923**

#### 5. ANNUAL LISTING FEE

Annual Listing Fee for the year 2016–17 has been paid to each of the above mentioned stock exchanges. There are no arrears of listing fees with any of the said stock exchanges till date.

#### 6. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2017

Following tables gives the data on shareholding according to types of shareholders and class of shareholders.

- Distribution of the shareholdings according to type of shareholders:

Particulars	March 31, 2017		March 31, 2016	
	No. of Shares	%(Holding)	No. of Shares	%(Holding)
Promoters	35,22,663	49.19%	35,14,063	49.07%
Institutional Investors	NIL	NIL	NIL	NIL
Bodies Corporate	7,63,918	10.67%	9,20,957	12.86%
Others/Public	28,74,619	40.14%	27,26,180	38.06%
<b>Total</b>	<b>7161200</b>	<b>100%</b>	<b>7161200</b>	<b>100%</b>

- Distribution of shareholding according to the number of shares:

No. of Equity Shares	March 31, 2017				March 31, 2016			
	No. of	% of	No. of shares	% of share capital	No. of	% of	No. of shares	% of share capital
	<b>Shareholders</b>				<b>Shareholders</b>			
1 to 5000	3078	80.429	593637	8.29	3192	81.387	615824	8.599
5001 to 10000	343	8.963	286205	3.997	336	8.567	281936	3.937
10001 to 20000	159	4.155	250961	3.504	155	3.952	245827	3.433
20001 to 30000	73	1.907	188585	2.633	72	1.836	186886	2.610
30001 to 40000	41	1.071	146907	2.051	37	0.943	132578	1.851
40001 to 50000	37	0.967	176407	2.463	38	0.969	181655	2.537
50001 to 100000	44	1.15	308476	4.308	41	1.045	295169	4.122
100001 and above	52	1.359	5210022	72.753	51	1.300	5221325	72.911
<b>Total</b>		<b>100</b>	<b>7161200</b>	<b>100</b>		<b>100</b>	<b>7161200</b>	<b>100</b>

#### 7. MARKET PRICE DATA

Monthly high and low prices of equity shares of the company traded at The Bombay Stock Exchange Limited are given below:

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MONTH	BSE	
	HIGH(Rs.)	LOW(Rs.)
Apr 16	21.00	17.25
May 16	21.95	18.60
Jun 16	22.50	17.55
Jul 16	22.40	18.05
Aug 16	21.95	14.75
Sep 16	17.40	14.35
Oct 16	17.25	14.70
Nov 16	20.90	15.05
Dec 16	18.85	15.20
Jan 17	22.40	16.55
Feb 17	21.35	17.85
Mar 17	21.45	17.15

### 8. DEMAT

Your Company's equity shares are compulsorily traded in dematerialisation form by all categories of investors. Equity shares of your Company are available for trading in the depository systems of both the Depositories viz. The National Securities Depositories Limited (NSDL) and The Central Depositories Service (India) Limited (CDSL).

As on March 31, 2017, 97% (i.e. 6946600 Equity Shares) of the total Equity Share Capital (i.e 7161200 equity shares) were held in demat form.

### 9. REGISTRAR AND SHARE TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

The Company has appointed a common i.e. Mas Services Limited for share transfer and dematerialisation of shares. To expedite the process of share transfers the Board has delegated the power of share transfer to Mas Services Limited viz. Registrar and Share Transfer Agents who will attend to the share transfer formalities at least once in fortnight. Their contact details are as follows;

#### M/s Mas Services Limited

T-34, 2<sup>nd</sup> floor, Okhla Industrial Area, Ph-II, New Delhi 110 020  
Ph: 011-26387281/82/83 Fax: 011-26387284

### 10. ADDRESS FOR CORRESPONDENCE:

- i. Investors' Correspondence may be addressed to the following:  
Dhampure Speciality Sugars Ltd  
24 School Lane, World Trade Centre, New Delhi-110001  
E-mail: investor@sugarindia.com

**OR**

To the Registrar and Share Transfer Agent i. e: Mass Services Limited at the address mentioned elsewhere in this report.

- ii. Queries relating to the Financial Statements of the Company may be addressed to following:  
Sorabh Gupta  
24, School Lane, Near World Trade Centre, New Delhi-110001

For **Dhampure Speciality Sugars Ltd.**

Date: 11<sup>th</sup> August, 2017

Place: New Delhi

Sd/-  
**Sorabh Gupta**  
Managing Director  
DIN : 00227776



## **ANNUAL DECLARATION OF COMPLIANCE OF CODE OF CONDUCT BY CEO/MD**

To  
**The Board of Directors**  
**Dhampure Speciality Sugars Limited**  
Villageteh Pallawala Tehsil Dhampur,  
Bijnore, Uttar Pradesh-246761

1. The Code of Conduct has been laid down for all the Board members and Senior Management and other employees of the Company.
2. The Code of conduct has been posted on website of the Company.
3. The Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2016-17.

For **Dhampure Speciality Sugars Ltd.**

Sd/-  
**Sorabh Gupta**  
Managing Director  
New Delhi

Date 11<sup>th</sup> August, 2017

## CEO/CFO CERTIFICATION

**To**  
**The Board of Directors**  
**Dhampure Speciality Sugars Limited**

Dear Sir,

We the undersigned hereby certify that:

- a. We have reviewed the financial statements and the cash flow statement for the Financial Year 2016-17 and to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2016-17 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:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud, if any, of which we have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Dhampure Speciality Sugars Ltd.**

Sd/-  
**Sorabh Gupta**  
Managing Director  
DIN:00227776

Sd/-  
**Ghanshyam Tiwari**  
Chief Financial Officer

11th August, 2017  
New Delhi

**S. PRASAD AGARWAL & CO.**

*Chartered Accountants*

2161/61, IIND FLOOR,  
NAI WALAN, KAROL  
BAGH NEW DELHI-110 005  
Mob. 9810449060

**CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS ON CORPORATE  
GOVERNANCE UNDER REGULATION 34(3) OF SEBI (LISTING OBLIGATION AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Members of  
**DHAMPURE SPECIALITY SUGARS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by DHAMPURE SPECIALITY SUGARS LIMITED for the year ended 31st March, 2017, as stipulated in Under Regulation 34(3) Of SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Under Regulation 34(3) Of SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015. We state that in respect of investor grievances received during the year ended 31st March, 2017, no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Company and presented to the Shareholders/Investors' Grievance/Share Transfer and Transmission Committee.

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

For **S. Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn.No. 021425N

Place : New Delhi  
Date :29.05.2017

(S.P. Agarwal)  
Proprietor  
M.No.: F 092194

### INDEPENDENT AUDITORS' REPORT

To

The Members of

**Dhampure Speciality Sugars Limited**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Dhampure Speciality Sugars Limited, which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017; and
- (b) in the case of the statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

**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 the paragraph 3 and 4 of the order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet and Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet and Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular No. 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) There were no pending litigations which would impact the financial position of the Company, Refer paragraph VII (b) of CARO 2016.
    - ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts; which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The Company has provided requisite disclosure in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the company. **Refer Note 30 to the standalone financial statements.**

For **S. Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No.021425N

Place : New Delhi  
Dated : 29.05.2017

S/d  
**S. P. Agarwal**  
(Proprietor)  
M. No. F 092194

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### ANNEXURE "A" TO THE AUDITOR'S REPORT

(As referred to in Paragraph 1 of our report of even date)

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March 2017, we report that:

- (i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, most of the fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (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 are held in the name of the company
- (ii) (a) As explained to us, the inventory has been physically verified at reasonable intervals by the management.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, firms or other parties covered by clause (76) of Section 2 and in the register maintained under section 189 of the Companies Act 2013, hence provision of this clause is not applicable.
- (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 and guarantees and security provided by it.
- (v) As informed to us, during the year, the company has not accepted any deposits from the public within the meaning of directive issued by the Reserve Bank of India and the Provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of Cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the products of the company.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, investor, education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the company examined by us there are no disputes and dues with Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues which have remained outstanding as at 31.03.2017 for a period of more than six months from the date they became payable, however an income tax demand i.e. assessed U/s 143(3) for the Assessment Year 2009-10 of Rs. 75,967/- and for the Assessment Year 2010-11 of Rs. 47,750/- are yet to deposit or to be adjust with the Income Tax Refund receivable from the Income Tax Department and a demand of Central Excise Duty of Rs. 52,40,976/- (Including interest of Rs. 15,22,721/-) for the period from F.Y. 2007-08 to 2014-15 The matter is pending with the Customs, Excise & Service Tax Appellate Tribunal, New Delhi.

- (viii) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in payment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year however the company has taken a cash credit limit of Rs. 4,00,00,000/- from schedule bank which is secured by hypothecation of stock and debtors.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give 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 give 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 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 451A of Reserve Bank of India Act, 1934. Accordingly, the provision of Clause 3(xvi) of the order is not appropriate to the company.

For **S. Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No.021425N

Place : New Delhi  
Dated : 29.05.2017

S/d  
**S. P. Agarwal**  
(Proprietor)  
M. No. F 092194

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

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

We have audited the internal financial controls over financial reporting of DHAMPURE SPECIALITY SUGARS LIMITED as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No.021425N

Place : New Delhi  
Dated : 29.05.2017

S/d  
**S. P. Agarwal**  
(Proprietor)  
M. No. F 092194

## 25th ANNUAL REPORT

### DHAMPURE SPECIALITY SUGARS LINTIED

#### BALANCE SHEET AS AT 31st MARCH 2017

	Note No.	(Figures in Rs). As at 31.03.2017	As at 31.03.2016
<b>I EQUITY &amp; LIABILITIES</b>			
1 Shareholders' Funds			
(a) Share Capital	2	71612000	71612000
(b) Reserves and Surplus	3	127689616	123014969
<b>2 Non-Current Liabilities</b>			
(a) Other Long-Term Liabilities	4	-	-
(b) Long -Term Povisions	5	1352440	1231696
<b>3 Current Liabilities</b>			
(a) Short-Term Borrowing	6	-	3080496
(b) Trade Payable	7	23528239	2244860
(c) Other Current Liabilities	8	3326723	9383228
(d) Short-Term Provisions	9	1894640	209913
<b>TOTAL</b>		<b><u>229403659</u></b>	<b><u>212666388</u></b>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets	10		
Tangible Assets		32787596	30043823
(b) Deferred Tax Assets		11595528	5875421
(c) Non-Current Investments	11	66272291	64172291
(d) Other Non-Current Assets	12	56494435	84857315
<b>2 Current assets</b>			
(a) Inventories	13	19875365	4797959
(b) Trade Receivables	14	34585636	16087290
(c) Cash and Cash Equivalents	15	3528689	1467485
(d) Other Current Assets	16	4264118	5364803
<b>TOTAL</b>		<b><u>229403659</u></b>	<b><u>212,666,388</u></b>

Significant accounting policies followed by the company  
The accompanying notes are an integral part of the financial  
statements as per our report of even date

1  
2-38

For **S.Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No. 021425N

For and on behalf of the Board of Directors of  
**Dhampure Speciality Sugars Ltd**

S/d  
**(S.P. Agarwal)**  
Proprietor  
M.No. : F-092194  
Place - New Delhi  
Dated : 29.05.2017

S/d  
**Murli Manohar**  
Director  
DIN - 01173857

S/d  
**Sorabh Gupta**  
Managing Director  
DIN- 00227776

**Registered Office:-**  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

S/d  
**Ghanshyam Tiwari**  
Chief Financial Officer

**DHAMPURE SPECIALITY SUGARS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017**

Figures in Rs)

	Note No.	31.03.2017	31.03.2016
<b>Revenue</b>			
I	17	229345538	306427127
II	18	2291372	4876208
		<b>231636910</b>	<b>311303335</b>
<b>III Expenses</b>			
(a)	19	202368850	281829571
(b)	20	-1992775	-613143
(c)	21	10897262	9846602
(d)	22	497864	418269
(e)	23	992943	7732690
(f)	24	10950036	10329853
		<b>223714181</b>	<b>309543843</b>
<b>IV Profit before tax</b>		7922729	1759492
Tax Expenses			
(i) Current Tax		1894640	2099139
(ii) Deferred Tax		810199	-1506908
(iii) Income tax for earlier year		39889	0
(iv) Prior Period Expenses		503354	
		<b>4674647</b>	<b>1167261</b>
<b>Profit for the year</b>			
V			
Earning per Equity share ( nominal value of share Rs.10)			
Basic in Rs.	26	0.65	0.16
Diluted in Rs.		0.65	0.16

Significant accounting policies followed by the company 1  
 The accompanying notes are an integral part of the financial statements as per our report of even date 2-38

For **S.Prasad Agarwal & Co.**  
 Chartered Accountants  
 Firm Regn. No. 021425N

For and on behalf of the Board of Directors of  
**Dhampure Speciality Sugars Ltd**

S/d  
**(S.P. Agarwal)**  
 Proprietor  
 M.No. : F-092194  
 Place - New Delhi  
 Dated : 29.05.2017

S/d  
**Murli Manohar**  
 Director  
 DIN - 01173857

S/d  
**Sorabh Gupta**  
 Managing Director  
 DIN- 00227776

**Registered Office:-**  
 Village- Pallawala, Tehsil-Dhampur  
 Distt-Bijnor, U.P. - 246761

S/d  
**Ghanshyam Tiwari**  
 Chief Financial Officer

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### STANDALONE CASH FLOW STATEMENT For the year ended 31st March, 2017

S. No.	Particulars	Notes	Rs. In Thousand	Rs. In Thousand
			Year Ended 31.03.2017	Year Ended 31.03.2016
<b>A.</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	Profit/(Loss) before extraordinary items and tax		6,631	1,759
	Adjustment for:			
	Depreciation & Amortization		993	7733
	(Profit)/Loss on Sale of Fixed Assets		-	-
	Finance Cost (Net)		498	418
	<b>Operating Profit before changes in Current Assets and Liabilities</b>		<b>8,122</b>	<b>(9,910)</b>
	Changes in Current Liabilities Increase/(Decrease)			
	Other Current Liabilities		11,590	(5,175)
	Changes in Current Assets (Increase)/Decrease			
	Other Current Assets		(36,974)	(9,568)
	Cash Generated From Operations		(17,262)	(4,833)
	Tax Expenses		2,353	592
	Cash Flow before extraordinary items		(19,615)	(5,425)
	Prior Period Items		503	-
	<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>(20,118)</b>	<b>(5,425)</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
	Purchase of Fixed Assets		(10,462)	(1,443)
	Sale of Fixed Assets		6,726	-
	Provision for fall in the value of Non Current Investment		(2,070)	(54,797)
	Long term Loans & Advances		28,363	56,152
	<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>		<b>22,557</b>	<b>(88)</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Finance Cost (Net)		(498)	(4,183)
	Changes In Long Term Borrowing			10,000
	Changes in Other Long Term Liabilities		-	(183)
	Issue of Share Capital and share premium		-	-
	<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>		<b>(498)</b>	<b>5,634</b>
	<b>Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)</b>		<b>(1,941)</b>	<b>(121)</b>
	<b>Cash and Cash Equivalents as at 01.04.2016</b>		<b>1,467</b>	<b>1,346</b>
	Cash and Cash Equivalents as at 31.03.2017		3,529	1,467

For **S.Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No. 021425N

S/d  
**(S.P. Agarwal)**  
Proprietor  
M.No. : F-092194  
Place - New Delhi  
Dated : 29.05.2017

**Registered Office:-**  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

For and on behalf of the Board of Directors of  
**Dhampure Speciality Sugars Ltd**

S/d  
**Murli Manohar**  
Director  
DIN - 01173857

S/d  
**Sorabh Gupta**  
Managing Director  
DIN- 00227776

S/d  
**Ghanshyam Tiwari**  
Chief Financial Officer

## **1. SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2017**

### **a. Method of Accounting**

The financial statements are prepared under the historical cost convention and are in accordance with applicable mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

### **b. Use of Estimates**

The Presentation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of financial statements and the reported amount of income and expenses during the year. Examples of such estimates include provision for doubtful debts, employee benefits, provisions for income taxes, useful life of depreciable assets and provisions for impairments.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Change in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

### **c. Impairment of Assets**

The Company identifies impairable tangible fixed assets at the year end in term of cash generating unit concept for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets if indication of impairment exists within the meaning of Para 5 to 13 of AS-28 issued by ICAI. Impairment loss if any when crystallizes is charged against revenue of the year.

### **d. Inventories**

Inventories are valued at lower of cost or net realizable value. Cost is determined on FIRST IN FIRST OUT basis. Cost comprises of all cost of purchase, cost of conversion and other costs incurred in bring the inventories to their present location and condition. Raw material and Packing material cost is exclusive of excise duty paid / payable on purchases, as the same has been set off against excise duty payable on sale of finished goods under CENVAT scheme.

### **e. Revenue Recognition**

Revenue is recognized when there is reasonable certainty of its ultimate realization / collection.

### **f. Investments**

Investments are stated at costs. Provision is made, where; there is a permanent fall in the value of investments.

### **g. Provision for Taxation**

- (i) Provision for income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961.
- (ii) Deferred tax resulting from timing difference between book and tax profit is accounted for under liability method at the current rate of tax to the extent that the timing differences are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### **h. Fixed Assets and Depreciation**

- (a) Fixed Assets are stated at cost including all direct incidental expenses.
- (b) Depreciation on Fixed Assets is provided on Written Down Value method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

### **i. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required

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to settle the obligation at the Balance Sheet date. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

### **j. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

### **k. Foreign Exchange Transactions**

- (i) Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of transactions.
- (ii) The exchange rate fluctuation in revenue accounts is adjusted in the respective head in Statement of Profit and Loss.

### **l. Employee Retirement Benefits**

#### **Short term employee benefits**

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

#### **Defined benefit plans**

Defined benefit plans of the company consist of gratuity and leave encashment.

#### **- Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to the vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service.

#### **- Leave Encashment**

As per company's policy, eligible leaves have paid on every year basis.

Defined contribution plans-

Defined contribution plans of the company consist of Provident fund.

#### **- Provident Fund**

The company makes specified monthly contribution towards the employees' provident fund for the eligible employees. The contribution made to provident fund is charged to the statement of profit and loss as and when the same become payable.

**DHAMPURE SPECIALITY SUGARS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017**

(Figures in Rs)

	Note No.	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>2 Share Capital</b>			
Authorised 2,50,00,000 Equity Shares of Rs. 10/- each		<u>250000000</u>	<u>250000000</u>
<b>Issued , Subscribed and paid up Shares</b>			
7161200 Equity Shares of Rs. 10/- each fully paid up in cash		71612000	71612000

The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Equity Shares	As at 31.03.2017		As at 31.03.2016	
	No.	Rupees	No.	Rupees
At the beginning of the period	7161200	71612000	7161200	71612000
Add : Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>7161200</b>	<b>71612000</b>	<b>7161200</b>	<b>71612000</b>

**(a) Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per shares.

(b) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : **N.A.**

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31.03.2017		As at 31.03.2016	
	No.	% holding in the class	No.	% holding in the class
<b>Equity shares of Rs. 10 each fully paid</b>				
Mr. Sorabh Gupta	2741813	38	2733213	33
Mrs. Reena Gupta	687250	10	687250	8

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) During last 5 years immediately preceding the balance sheet date, no Equity Shares or Preference Shares has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity or Preference Share during aforesaid period of 5years.

(e) No Shares have been Forfeited by the company during the year.

**3 Reserves and surplus**

**Surplus in the statement of profit and loss**

Balance as per last Financial statements	89944969	88777708
Profit for the year	4674647	1167261
(a) Net Surplus in the statement of profit & Loss	<u>94619616</u>	<u>89944969</u>
(b) Share Premium Account	33070000	33070000
<b>Total (a+b)</b>	<u>127689616</u>	<u>123014969</u>

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### DHAMPURE SPECIALITY SUGARS LIMITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

	<u>As at 31.03.2017</u>	<u>(Figures in Rs) As at 31.03.2016</u>
<b>4 Others Long-Term Liabilities</b>		
Advance from Customers (Others)	-	-
	-	-
<b>5 Long-Term Provision</b>		
Provision for Gratuity	1352440	1231696
	<b>1352440</b>	<b>1231696</b>
<b>6 Short -Term Borrowings</b>		
Secured Loan from Bank		
Punjab National Bank	-	3080496
(Secured against hypothecation of stock & Book Debts)	-	<b>3080496</b>
<b>7 Trade Payables</b>		
Sundry Creditors	23528239	2244860
	<b>23528239</b>	<b>2244860</b>
<b>8 Other Current Liabilities</b>		
(i) Advance from customers	1649200	2992864
(ii) Expenses Payable	1380163	1037754
(iii) Books Overdraft with Banks	-	4959332
(iv) Duties & taxes Payable	297360	393278
	<b>3326723</b>	<b>9383228</b>
<b>9 Short -Term Provision</b>		
Provision for Income Tax	1894640	2099139
	<b>1894640</b>	<b>2099139</b>



**M/S DHAMPURE SPECIALITY SUGARS LIMITED**

**10 : FIXED ASSETS SCHEDULE AS ON 31.03.2017 as per Schedule-2 of The Companies Act, 2013**

**TANGIBLE ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION					Carrying Value		
	As on 01/04/16	Addition during the year	Sales/Adj during the year	Total As on 31.3.17	Opening Dep. as on 01.04.2016	Dep. on Opening Block	Dep. on Addition as on 31.03.17	Total Depreciation for year	Sales/Adj during the year	Total Depreciation as on 31.03.17	As on 31.03.17	As on 31.03.16
LAND	5394765			5394765	10632392	550374	223402	773776		11406168	5394765	5394765
BUILDING	16873019	6725540		23598559							22824783	16873019
<b>PLANT &amp; MACHINERY</b>												
PLANT & MACHINERY	189625	3068806		3258431	61100521	19607	121486	141093		61241614	3117338	189625
ELECTRICAL INSTALLATION	152416			152416	1231505	10776	-	10776		1242281	141640	152416
GENERATOR SETS	22397			22397	1857958	1064	-	1064		1859022	21333	22397
LABORATORY EQUIPMENTS	37430			37430	320017	1778	-	1778		321795	35652	37460
Sub-Total	401868	3068806		3470674	64510001	33225	121486	154711		64664712	3315963	401898
COMPUTERS	11775			11775	4357101	1909	-	1909		4359010	9866	11775
OFFICE EQUIPMENT	183089	667910		850999	2441629	22308	10532	32840		2474469	818159	183059
FURNITURE & FIXTURE	422724			422724	770895	26758	-	26758		797653	395966	422724
VEHICLES	31043			31043	6105191	2949	-	2949		6108140	28094	31043
CAPITAL IN PROGRESS	6725540		6725540	-	-						-	6725540
<b>TOTAL</b>	<b>30043823</b>	<b>10462256</b>	<b>6725540</b>	<b>33780539</b>	<b>88817209</b>	<b>637523</b>	<b>355420</b>	<b>992943</b>		<b>89810152</b>	<b>32787596</b>	<b>30043823</b>
PREVIOUS YEAR	117418482			118861033	81084518	7702415	30275	7732690		88817209	30043824	36333963



**Dhampure Speciality Sugars Ltd.**  
(www.sugarindia.com)

11 NON CURRENT INVESTMENTS

Name of Script	Opening Balance As at 1.04.2016		Purchase During the year		Sold During the year		Closing Balance As at 31.03.2017		Closing Balance As at 31.03.2016	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
<b>"A" QUOTED SHARES</b>										
East India Hotel Ltd.	200	13543					200	13543	200	13543
Eiha Hotels	100	11281					100	11281	100	11281
Gee Kay Exim	56000	249200					56000	249200	56000	249200
InformationTech	5000	84017					5000	84017	5000	84017
Maharashtra Krishna Valley Bond	1	23750					1	23750	1	23750
<b>Sub_total "A"</b>	<b>61301</b>	<b>381791</b>					<b>61301</b>	<b>381791</b>	<b>61301</b>	<b>381791</b>
<b>"B" UNQUOTED SHARES</b>										
Magic Software Pvt. Ltd.	10000	1000000					10000	1000000	10000	1000000
United Service Pvt. Ltd.	500	5000					500	5000	500	5000
Dhampur Health Care Pvt Ltd										
(Leisure Furnishing Pvt Ltd)	10000	10000					10000	10000	10000	10000
Dhampur Rise Pvt Ltd										
(Mumbai Airport Hospitality Pvt Ltd)	10000	10000					10000	10000	10000	10000
Dhampur Green Pvt Ltd										
(S.T.Food Pvt Ltd)	10000	10000					10000	10000	10000	10000
Ujjwal Microfinance Pvt Ltd	10000	30000					10000	30000	10000	30000
Amit Marketing	272550	2725500					272550	2725500	272550	2725500
Radish I. T. Solutions Pvt Ltd	600000	60000000					600000	60000000	600000	60000000
Trustone Wegmans Developers Pvt Ltd										
Vedic Organic Products Pvt Ltd										
			10000	100000						
			200000	2000000						
<b>Sub_total "B"</b>	<b>923050</b>	<b>63790500</b>	<b>210000</b>	<b>2100000</b>			<b>1133050</b>	<b>65890500</b>	<b>923050</b>	<b>63790500</b>
<b>GRAND TOTAL (A+B)</b>	<b>984351</b>	<b>64172291</b>	<b>210000</b>	<b>2100000</b>			<b>1194351</b>	<b>66272291</b>	<b>984351</b>	<b>64172291</b>
<b>Previous year</b>	<b>71801</b>	<b>1386791</b>					<b>984351</b>	<b>64172291</b>		
Market Value of quoted Shares		381774						380257		

**Notes to financial statements for the year ended 31st March, 2017**

	As at 31.03.2017	As at 31.03.2016
<b>12 Other Non-Current Assets, Loans and Advances</b> (Unsecured, considered good unless stated otherwise )		
(i) Security Deposits	224800	144800
(ii) Loan & advances to related parties (note 26)	19995907	48742577
(iii) Loan & advances to others	36273728	35969938
	<b><u>56494435</u></b>	<b><u>84857315</u></b>
<b>13 Inventories (valued at lower of cost and net relizable value)</b> (As certified by the Management)		
(i) Raw Material	9814888	1135435
(ii) Finished Goods	4294477	2301702
(iii) Stock -in- Trade	250035	-
(iv) Stores & Spares	5515966	1360822
	<b><u>19875365</u></b>	<b><u>4797959</u></b>
<b>14 Trade receivables</b> (Unsecured, considered good unless stated otherwise )		
(i) Outstanding for more than six months	28674418	3334740
(ii) Outstanding for less than six months	5911218	12752551
	<b><u>34585636</u></b>	<b><u>16087290</u></b>
<b>15 Cash and Cash Equivalents</b>		
(i) Balance with Banks on Current Accounts	2582299	873672
(ii) Cash in hand	636710	206188
(iii) Fixed Deposits	309680	387625
	<b><u>3528689</u></b>	<b><u>1467485</u></b>
<b>16 Other Current Assets</b>		
(i) Advanced recoverable in cash or in kind	-	2858
(ii) Prepaid Expenses	125183	69188
<b>Balance with Government Authorities</b>		
(iii) Advance Income tax	1700000	2000000
(iv) VAT Receivable	935858	1182213
(v) Balance with Excise Deptt.	1195580	1748812
(vi) Service Tax Recoverable	4200	279183
(vii) TDS	303296	82549
	<b><u>4264118</u></b>	<b><u>5364803</u></b>
<b>17 Revenue from Operations</b>		
Sales of Products		
(i) Domestic Sales	228441334	303464746
(ii) Export Sales	4222660	5997271
(iii) Less : Excise Duty	3318456	3034890
	<b><u>229345538</u></b>	<b><u>306427127</u></b>
<b>18 Other Income</b>		
(i) Interest Income	625569	20543
(ii) Commission Income	1180401	2234005
(iii) Agricultural Income	354403	210589
(iv) Sundry Balance written off	-71222	1816508
(v) Foreign Exchange Fluctuation	-198	88152
(vi) Miscellaneous Income	9450	498931
(vii) Income form Lease Rent	192969	183,784
<b>Total</b>	<b><u>2291372</u></b>	<b><u>4876208</u></b>

## 25th ANNUAL REPORT

	As at 31.03.2017	As at 31.03.2016
<b>19 Cost of Material Consumed</b>		
Opening Stock	2496257	8215151
Purchase	215167962	278159335
Consumption of stores and spares	285520	253045
	<u>217949739</u>	<u>286627531</u>
Less : Closing Stock	15580889	4797959
<b>Net consumption</b>	<u>202368850</u>	<u>281829571</u>
<b>20 Increase/decrease in Inventories</b>		
Inventories at the end of the year Finished Goods	4294477	4797959
Inventories at the beginning of the year Finished Goods	2301702	4184816
Net (increase)/decrease in Inventories	<u>-1992775</u>	<u>-613143</u>
<b>21 Employee Benefits Expenses</b>		
(a) Salaries & Wages	6728389	6364199
(b) Bonus	353704	34794
(c) Directors Remuneration	2400000	2472933
(d) Contribution to Provident Fund	312227	290086
(e) Gratuity	120744	18100
(f) Staff Welfare Expenses	982198	353336
	<u>10897262</u>	<u>9846602</u>
<b>22 Finance Coasts</b>		
(a) Interest paid	309059	247117
(b) Bank Charges	28874	63104
(c) Processing Fee	137400	88484
(d) Interest on Govt. Duties	22531	19564
	<u>497864</u>	<u>418269</u>
<b>23 Depreciation and amortization expenses</b>		
Depreciation	992943	7732690
	<u>992943</u>	<u>7732690</u>
<b>24 Other Expenses</b>		
(a) Auditors Remuneration ( as Audit Fee)	25300	24927
(b) Business Promotion	774642	507123
(c) Communication Expenses	600540	568185
(d) Exports Expenses	430218	320816
(e) ROC Filling Fee	27600	53888
(f) Freight Expenses	1827665	2792712
(g) Insurance Charges	27564	20509
(h) Legal & Professional Charges	1564390	1653801
(i) Misc. Expenses	704953	315616
(j) Power & fuel	845434	768496
(k) Printing & Stationery	465539	197108
(l) Rent, Rates & Taxes	709604	273076
(m) Rebates & Discount	59307	44822
(n) Repair & Maintenance	1107409	1172300
(o) Security Expenses	223332	119150
(p) Share Listing Expenses	324076	268641
(q) Tour, Travelling & Conveyance	1195688	1227283
(r) Vehicle Repair & Maintenance	36776	1400
	<u>10950036</u>	<u>10329853</u>

## DHAMPURE SPECIALITY SUGARS LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017

25. Quoted investments have been valued at cost, Market value of all the quoted shares as at the Balance Sheet date is Rs. 3,80,257/- However diminution in value other than temporary is provided. The profit / loss arising on account of sales are recognized in the statement of Profit & Loss Account.
26. Related party disclosures as per accounting standard - AS-18 issued by the institute of Chartered Accountants of India.

#### Related parties:-

Holding Companies	N.A.
Associate	N.A.
Key Management Personnel	Mr. Sorabh Gupta (Managing Director ) Mr. Ghanshyam Tiwari (Chief Financial Officer)
Relative of Key Management personnel's with which the company has nay transactions during the year	Nil
Entities over which key management personnel/or relative of key management personnel are able to exercise significant influence with which the company has any transactions during the year	Nil

#### Transactions with related parties :-

Particulars	Nature of transaction	Rs.
1. Transactions with Companies.	Purchase of sugar cane :- a) Dhampur Infrastructure Pvt. Ltd. b) Greater Noida Habitat Centre Ltd. c) Dhampur Infratech Pvt. Ltd. d) Shree Balaji Holdings and Infrastructure Private Limited e) Network Gen Private Limited	6,84,060 4,34,904 3,98,747 6,11,726 4,82,157
2. Key Management Personnel (Managing Director )	Remuneration to Mr. Sorabh Gupta (Managing Director ) Balance payable as on 31.03.17 (Maximum balance outstanding payable Rs. 2.15 lacs)	24,00,000 75,933

27. Sundry Debtors, Creditors, Advance from Customers, Sundry Deposits are subject to confirmation and are as per books of accounts and will require necessary adjustment on reconciliation.
28. Sales Tax Assessments for earlier years are in progress. Demands, if any shall be accounted for on the completion of assessments.
29. Contingent Liabilities
- a. For a demand of Central Excise Duty being contested - 52,40,976/- (Including interest of Rs. 15,22,721/-) for the period from F.Y. 2007-08 to 2014-15. The matter is pending with the Customs, Excise & Service Tax Appellate Tribunal, New Delhi.
- b. Claims not acknowledged as debts - Nil

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- 30 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	290000	215992	505992
(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Banks	290000	-	290000
closing Cash in Hand as on 30.12.2016		810540	810540

- 31 Payment to Auditors

(Figures in Rs.)

Particulars	31.03.2017	31.03.2016
Audit Fees	22000	21676
Service Tax	3300	3251
Total	25300	24927

- 32 Calculation of Earnings per Share (EPS)

(Figures in Rs.)

	31.03.2017	31.03.2016
Net Profit/(Loss) for the period (Rs.)	4674647	1167261
Weighted average number of equity shares (Nominal Value of Rs. 10/- per share)	7161200	7161200
Basic Earning / (loss) per share in rupees (face value Rs. 10/ per share)	0.65	0.16

33. In the opinion of the directors of the company current assets, loans and advances, unsecured loans and current liabilities have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all know liabilities have been made.
34. During the year the management has noticed some operational omission and commission in the presentation of stock vide note no 19 & 20 of the financial accounts for the year 31.03.2016. The profit of the company was overbooked during the financial year 2015-16 by Rs. 5,03,354/-. During the current year the same has rectified. Therefore during the year profit decreased by Rs. 5,03,354/- entered as prior period expenses. The same has no impact on the Income Tax Liability during the year.
35. Additional information as required by Schedule III of the Companies Act, 2013:

**a) Production**

	Current Year	Pervious year
Invert Sugar	568698 kg	566750 kg
Speciality Sugar	508370 kg	623495 kg
Jaggery	212 qtl	160 qtl.

**b) Raw Material Consumed**

Particulars	Consumption			
	Current Year		Previous Year	
	Qty.	Value in Rs	Qty.	Value in Rs
Sugar ( in Kg)	911170	33099751	1063800	29659295
Activated Carbon ( in kg)	330	61641	520	94577
Sugar Cane ( in qtl)	21205	4910647	14252	2520795
Stores consumed		256803		217009
<b>Total</b>		<b>38328842</b>		<b>32491676</b>

**c) Goods Purchased (Trade)**

Ethyl Acetate (in kg)	704030	40367913	382464	24169555
Acetic Acid (in Kg)				
Sugar (in kg)	4597	91203099	62821	215861805
<b>Total</b>		<b>131571012</b>		<b>240031360</b>

**d) Sales, closing stock and opening stock**

(Value in Rs.)

Manufactured goods	Unit	Sales		Closing Stock		Opening Stock	
		Qty.	Value	Qty.	Value	Qty.	Value
Invert Sugar	Kg	590829	29057119	11025	414524	33156	1021164
Speciality Sugars	Kg	518457	34088990	21435	967500	31522	1280538
Jaggery	Qtl	1366	8270003	755	2912453	00	00
<b>TRADED GOODS</b>							
Ethyl Acetate	Kg	704030	42393302	00	00	00	00
Sugar	Qtl	4597	118400250	00	00	00	00

	Current Year	Previous Year
e) Expenditure in Foreign Currency	83,895 /-	1,72,567/-
f) Earnings in Foreign Currency	42,18,962 /-	52,11,522/-

**36. Deferred Tax Liability/ Assets**

As required by Accounting Standard -22" Accounting for taxes on income " issued by Instituted of Chartered Accountants of India, deferred tax liability on profits for the year has been created.

**37. Figures have been rounded off to the nearest paisa.**

**38. Previous year figures** The company has reclassified previous year figures to conform to this year's

For **S.Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No. 021425N

S/d  
**(S.P. Agarwal)**  
Proprietor  
M.No. : F-092194  
Place - New Delhi  
Dated : 29.05.2017

**Registered Office:-**  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

For and on behalf of the Board of Directors of  
**Dhampure Speciality Sugars Ltd**

S/d  
**Murli Manohar**  
Director  
DIN - 01173857

S/d  
**Sorabh Gupta**  
Managing Director  
DIN- 00227776

S/d  
**Ghanshyam Tiwari**  
Chief Financial Officer

### INDEPENDENT AUDITORS' REPORT

To  
The Members of  
Dhampure Speciality Sugars Limited

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated financial statements of Dhampure Speciality Sugars Limited, (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") and comprising of the Consolidated Balance Sheet as at 31st March, 2017, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by 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 of the Group, as at 31st March, 2017, and their consolidated Profit & Loss and their Consolidated Cash Flow for the year ended on that date.



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## 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 the paragraph 3 and 4 of the order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, aforesaid Consolidated Balance Sheet and Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular No. 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) There were no pending litigations which would impact the financial position of the Company, Refer paragraph VII (b) of CARO 2016.
    - ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The Company has provided requisite disclosure in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note 30 to the Consolidated Financial Statements.

For **S. Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No.021425N

Place : New Delhi  
Dated : 29.05.2017

S/d  
**S. P. Agarwal**  
(Proprietor)  
M. No. F 092194

## 25th ANNUAL REPORT

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### **ANNEXURE "A" TO THE AUDITOR'S REPORT** **(As referred to in Paragraph 1 of our report of even date)**

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Consolidated financial statements for the year ended 31st March 2017, we report that:

- (i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, most of the fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (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 are held in the name of the company
- (ii) (a) As explained to us, the inventory has been physically verified at reasonable intervals by the management.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to Companies, firms or other parties covered by clause (76) of Section 2 and in the register maintained under section 189 of the Companies Act 2013, hence provision of this clause is not applicable.
- (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 and guarantees and security provided by it.
- (v) As informed to us, during the year, the company has not accepted any deposits from the public within the meaning of directive issued by the Reserve Bank of India and the Provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of Cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the products of the company.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, investor, education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the company examined by us there are no disputes and dues with Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues which have remained outstanding as at 31.03.2017 for a period of more than six months from the date they became payable, however an income tax demand i.e. assessed U/s 143(3) for the Assessment Year 2009-10 of Rs. 75,967/- and for the Assessment Year 2010-11 of Rs. 47,750/- are yet to deposit or to be adjust with the Income Tax Refund receivable from the Income Tax Department and a demand of Central Excise Duty of Rs. 52,40,976/- (Including interest of Rs. 15,22,721/-) for the period from F.Y. 2007-08 to 2014-15 The matter is pending with the Customs, Excise & Service Tax Appellate Tribunal, New Delhi.

- (viii) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in payment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year however the company has taken a cash credit limit of Rs. 4,00,00,000/- from schedule bank which is secured by hypothecation of stock and debtors.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give 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 give 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 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934. Accordingly, the provision of Clause 3(xvi) of the order are not appropriate to the company.

For **S. Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No.021425N

Place : New Delhi  
Dated : 29.05.2017

S/d  
**S. P. Agarwal**  
(Proprietor)  
M. No. F 092194

## 25th ANNUAL REPORT

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### **Annexure- "B" to the Consolidated Auditors' Report** **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of DHAMPURE SPECIALITY SUGARS LIMITED as of 31 March 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No.021425N

Place : New Delhi  
Dated : 29.05.2017

S/d  
**S. P. Agarwal**  
(Proprietor)  
M. No. F 092194

**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2017**

(Figures in Rs).

	Note No.	As at 31.03.2017	As at 31.03.2016
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2	72012000	72012000
(b) Reserves and Surplus	3	133411098	125968760
<b>2 Non-Current Liabilities</b>			
(a) Long -Term Borrowings	4	1272000	1187000
(b) Long -Term Provisions	5	1352440	1231696
<b>3 Current Liabilities</b>			
(a) Short-Term Borrowing	6	24091321	28737468
(b) Trade Payable	7	24297347	2077201
(c) Other Current Liabilities	8	4234344	11186483
(d) Short-Term Provisions	9	1886718	2353033
<b>TOTAL</b>		<b>262557268</b>	<b>244753641</b>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets	10		
Tangible Assets		82182829	79817982
Deferred Tax Assets		11320307	5289986
(c) Non-Current Investments	11	66212291	64112291
(d) Other Non-Current Assets	12	36755935	64857315
<b>2 Current assets</b>			
(a) Inventories	13	21347975	5404064
(b) Trade Receivables	14	33639161	16253021
(c) Cash and Cash Equivalents	15	5851505	3054856
(d) Other Current Assets	16	5247265	5964125
<b>TOTAL</b>		<b>262557268</b>	<b>244753641</b>

Significant accounting policies followed by the company  
 The accompanying notes are an integral part of the financial  
 statements as per our report of even date

1

2-38

For **S.Prasad Agarwal & Co.**  
 Chartered Accountants  
 Firm Regn. No. 021425N

For and on behalf of the Board of Directors of  
 Dhampure Speciality Sugars Ltd

S/d  
**(S.P. Agarwal)**  
 Proprietor  
 M.No. : F-092194  
 DIN- 00227776

S/d  
**Murli Manohar**  
 Director

S/d  
**Sorabh Gupta**  
 Managing Director  
 DIN - 01173857

Place - New Delhi  
 Dated : 29.05.2017

**Registered Office:-**  
 Village- Pallawala, Tehsil-Dhampur  
 Distt-Bijnor, U.P. - 246761

S/d  
**Ghanshyam Tiwari**  
 Chief Financial Officer

## 25th ANNUAL REPORT

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(Figures in Rs)

	Note No.	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>Revenue</b>			
I			
Revenu from operations (net)	17	231118386	306594549
II			
Other Income	18	8380326	10671096
<b>Total Revenue (I+II)</b>		<b>239498712</b>	<b>317265645</b>
<b>III Expenses</b>			
(a)			
Cost or Raw Material Consumed	19	204609527	281930308
(b)			
Increase (/) decrease inventories of Finished Goods	20	-2859279	-596106
(c)			
Employee benefits expenses	21	10897262	9846602
(d)			
Finance costs	22	2880844	1873046
(e)			
Depreciation and amortization expenses	23	1646262	8414790
(f)			
Other expenses	24	11266682	10922118
<b>Total Expenses (III)</b>		<b>228441298</b>	<b>312390757</b>
<b>IV Profit before tax</b>		<b>11057414</b>	<b>4874887</b>
Tax Expenses			
(i)			
Current Tax		1886718	2353033
(ii)			
Deferred Tax		959986	-1272892
(iii)			
Income tax for earlier year		39889	-
(iv)			
Prior Period Expenses		728483	
<b>Profitt for the year</b>		<b>7442338</b>	<b>3794746</b>
<b>V</b>			
Earning per Equity share ( nominal value of share Rs.10)			
Basic in Rs.	31	1.03	0.53
Diluted in Rs.		1.03	0.53

Significant accounting policies followed by the company 1

The accompanying notes are an integral part of the financial statements as per our report of even date 2-38

**For S.Prasad Agarwal & Co.**

Chartered Accountants  
Firm Regn. No. 021425N

For and on behalf of the Board of Directors of  
**Dhampure Speciality Sugars Ltd**

S/d  
**(S.P. Agarwal)**  
Proprietor  
M.No. : F-092194  
Place - New Delhi  
Dated : 29.05.2017

S/d  
**Murli Manohar**  
Director  
DIN - 01173857

S/d  
**Sorabh Gupta**  
Managing Director  
DIN- 00227776

**Registered Office:-**  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

S/d  
**Ghanshyam Tiwari**  
Chief Financial Officer

**CONSOLIDATED CASH FLOW STATEMENT**  
**For the year ended 31st March, 2017**

S. No.	Particulars	Notes	Rs. In Thousand	Rs. In Thousand
			Year Ended 31.03.2017	Year Ended 31.03.2016
<b>A.</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	Profit/(Loss) before extraordinary items and tax		11,057	4,875
	<b>Adjustment for:</b>			
	Depreciation & Amortization		1646	8415
	(Profit)/Loss on Sale of Fixed Assets		-	-
	Finance Cost (Net)		2,881	1,873
	<b>Operating Profit before changes in Current Assets and Liabilities</b>		<b>15,584</b>	<b>15,163</b>
	<b>Changes in Current Liabilities Increase/(Decrease)</b>			
	Other Current Liabilities		10,156	22,771
	Changes in Current Assets (Increase)/Decrease			
	Other Current Assets		(35,410)	6,609
	Cash Generated From Operations		(9,670)	44,543
	Tax Expenses		(2,847)	(1,080)
	Cash Flow before extraordinary items		(6,823)	45,623
	Extraordinary Items			
	<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<b>(6,823)</b>	<b>45,623</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
	Purchase of Fixed Assets		(10,737)	(1,443)
	Sale of Fixed Assets		-	-
	Provision for fall in the value of Non Current Investment		(2,100)	(48,506)
	Long term Loans & Advances		25,132	
	<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>		<b>12,295</b>	<b>(49,949)</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Finance Cost (Net)		(2,881)	(1,873)
	Changes In Long Term Borrowing		85	8,813
	Changes in Other Long Term Liabilities		121	183
	Issue of Share Capital and share premium		-	-
	<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>		<b>(2,675)</b>	<b>7,123</b>
	Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)		<b>2,797</b>	<b>2,797</b>
	Cash and Cash Equivalents as at 01.04.2016		3,055	1,346
	Cash and Cash Equivalents as at 31.03.2017		5,852	3,055

S/d  
**(S.P. Agarwal)**  
 Proprietor  
 M.No. : F-092194  
 Place - New Delhi

Dated : 29.05.2017

**Registered Office:-**  
 Village- Pallawala, Tehsil-Dhampur  
 Distt-Bijnor, U.P. - 246761

S/d  
**Murli Manohar**  
 Director  
 DIN - 01173857

S/d  
**Sorabh Gupta**  
 Managing Director  
 DIN- 00227776

S/d  
**Ghanshyam Tiwari**  
 Chief Financial Officer

## 25th ANNUAL REPORT

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### 1. SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2017

#### a. Method of Accounting

The financial statements are prepared under the historical cost convention and are in accordance with applicable mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

#### b. Use of Estimates

The Presentation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of financial statements and the reported amount of income and expenses during the year. Examples of such estimates include provision for doubtful debts, employee benefits, provisions for income taxes, useful life of depreciable assets and provisions for impairments.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Change in estimates is reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

#### c. Impairment of Assets

The Company identifies impairable tangible fixed assets at the year end in term of cash generating unit concept for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets if indication of impairment exists within the meaning of Para 5 to 13 of AS-28 issued by ICAI. Impairment loss if any when crystallizes is charged against revenue of the year.

#### d. Inventories

Inventories are valued at lower of cost or net realizable value. Cost is determined on FIRST IN FIRST OUT basis. Cost comprises of all cost of purchase, cost of conversion and other costs incurred in bring the inventories to their present location and condition. Raw material and Packing material cost is exclusive of excise duty paid / payable on purchases, as the same has been set off against excise duty payable on sale of finished goods under CENVAT scheme.

#### e. Revenue Recognition

Revenue is recognized when there is reasonable certainty of its ultimate realization / collection.

#### f. Investments

Investments are stated at costs. Provision is made, where; there is a permanent fall in the value of investments.

#### g. Provision for Taxation

- (i) Provision for income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961.
- (ii) Deferred tax resulting from timing difference between book and tax profit is accounted for under liability method at the current rate of tax to the extent that the timing differences are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### h. Fixed Assets and Depreciation

- (a) Fixed Assets are stated at cost including all direct incidental expenses.
- (b) Depreciation on Fixed Assets is provided on Written Down Value method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.



**i. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

**j. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

**k. Foreign Exchange Transactions**

- (i) Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of transactions.
- (ii) The exchange rate fluctuation in revenue accounts is adjusted in the respective head in Statement of Profit and Loss.

**l. Employee Retirement Benefits**

**Short term employee benefits**

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**Defined benefit plans**

Defined benefit plans of the company consist of gratuity and leave encashment.

**- Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to the vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service.

**- Leave Encashment**

As per company's policy, eligible leaves have paid on every year basis.

**Defined contribution plans-**

Defined contribution plans of the company consist of Provident fund

**-Provident Fund**

The company makes specified monthly contribution towards the employees' provident fund for the eligible employees. The contribution made to provident fund are charged to the statement of profit and loss as and when the same become payable.

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### DHAMPURE SPECIALITY SUGARS LIMITED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

(Figures in Rs)

	Note No.	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>2 Share Capital</b>			
Authorised		<u>250000000</u>	<u>250000000</u>
2,50,00,000 Equity Shares of Rs. 10/- each			
<b>Issued , Subscribed and paid up Shares</b>			
7161200 Equity Shares of Rs. 10/- each fully paid up in cash		7201200	7201200

The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Equity Shares	As at 31.03.2017		As at 31.03.2016	
	No.	Rupees	No.	Rupees
At the beginning of the period	7201200	72012000	7201200	72012000
Add : Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>7201200</b>	<b>72012000</b>	<b>7201200</b>	<b>72012000</b>

**(a) Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per shares.

**(b) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :**

**N.A.**

**(c) Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	As at 31.03.2017		As at 31.03.2016	
	No.	% holding in the class	No.	% holding in the class
<b>Equity shares of Rs. 10 each fully paid</b>				
Mr. Sorabh Gupta	2741813	38.29	2733213	33.25
Mrs. Reena Gupta	687250	9.60	687250	8.36

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**3 Reserves and surplus**

**Surplus in the statement of Profit and Loss**

Opening Balance as per last Financial statements :-	92898760	89104014
Profit for the year	6151024	3794746
(a) Net Surplus in the statement of profit & Loss	99049784	92898760
(b) Share Premium Account	33070000	33070000
<b>Total (a+b)</b>	<u><b>132119784</b></u>	<u><b>125968760</b></u>

(Figures in Rs)

	Note No.	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>4 Long -Term Borrowings</b>			
Other Long Term Borrowings		1272000	1187000
		<u>1272000</u>	<u>1187000</u>
<b>5 Long-Term Provision</b>			
Provision for Gratuity		1352440	1231696
		<u>1352440</u>	<u>1231696</u>
<b>6 Short -Term Borrowings</b>			
Secured Loan from Bank		24091321	25656972
Punjab National Bank		-	3080496
(Secured against hypothecation of stock & Book Debts)		<u>24091321</u>	<u>28737468</u>
<b>7 Trade Payables</b>			
Sundry Creditors		24297347	2077201
		<u>24297347</u>	<u>2077201</u>
<b>8 Other Current Liabilities</b>			
(i) Advance from customers		783632	2992864
(ii) Expenses Payable		1465345	1134560
(iii) Books Overdraft with Banks		-	4959332
(iv) Duties & taxes Payable		287367	401726
(v) Security Deposit		1698000	1698000
		<u>4234344</u>	<u>11186483</u>
<b>9 Short -Term Provision</b>			
Provision for Income Tax		1886718	2353033
		<u>1886718</u>	<u>2353033</u>

**M/S DHAMPURE SPECIALITY SUGARS LIMITED**

**10 : CONSOLIDATED FIXED ASSETS SCHEDULE AS ON 31.03.2017**  
As per Schedule-2 of The Companies Act, 2013

**TANGIBLE ASSETS**

Particulars	GROSS BLOCK			DEPRECIATION						Carrying Value		
	As on 01/04/16	Addition during the year	Sales/Adj during the year	Total As on 31.3.17	Opening Dep. as on 01.04.2016	Dep. on Opening Block	Dep. on Addition as on 31.03.17	Total Depreciation for year	Sales/Adj during the year	Total Depreciation as on 31.03.17	As on 31.03.17	As on 31.03.16
LAND	42,649,765	-	-	42,649,765	-	-	-	-	-	-	42,649,765	42,649,765
BUILDING	29,314,000	6,980,539	-	36,294,539	11,256,622	1,172,423	233,906	1,406,329	-	12,662,951	34,888,210	29,314,000
PLANT & MACHINERY	189,625	3,088,278	-	3,277,903	61,100,521	19,607	122,032	141,639	-	61,242,160	3,136,264	189,625
ELECTRICAL INSTALLATION	152,416	-	-	152,416	1,231,505	10,776	-	10,776	-	1,242,281	141,640	152,416
GENERATOR SETS	22,397	-	-	22,397	1,857,958	1,064	-	1,064	-	1,859,022	21,333	22,397
LABORATORY EQUIPMENTS	37,430	-	-	37,430	320,017	1,778	-	1,778	-	321,795	35,652	37,430
<b>Sub-Total</b>	<b>401,868</b>	<b>3,088,278</b>	-	<b>3,490,146</b>	<b>64,510,001</b>	<b>33,225</b>	<b>122,032</b>	<b>155,257</b>	-	<b>64,665,258</b>	<b>3,334,889</b>	<b>401,869</b>
COMPUTERS	11,775	-	-	11,775	4,357,101	1,909	-	1,909	-	4,359,010	9,866	11,775
OFFICE EQUIPMENT	183,089	667,910	-	850,999	2,441,629	22,308	10,532	32,840	-	2,474,469	818,159	183,089
FURNITURE & FIXTURE	422,724	-	-	422,724	770,895	26,758	-	26,758	-	797,653	395,966	422,724
VEHICLES	109,220	-	-	109,220	6,137,713	23,169	-	23,169	-	6,160,882	85,975	109,220
CAPITAL IN PROGRESS	6,725,540	-	6,725,540	-	-	-	-	-	-	-	-	6,725,540
<b>TOTAL</b>	<b>79817981</b>	<b>10736727</b>	<b>6725540</b>	<b>83829168</b>	<b>89473961</b>	<b>1279792</b>	<b>366470</b>	<b>1646263</b>	<b>-</b>	<b>91120224</b>	<b>82182829</b>	<b>79817982</b>



**11 NON CURRENT INVESTMENTS**

Name of Script	Opening Balance As at 1.04.2016		Purchase During the year		Sold During the year		Closing Balance As at 31.03.2017		Closing Balance As at 31.03.2016	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
<b>"A" QUOTED SHARES</b>										
East India Hotel Ltd.	200	13543					200	13543	200	13543
Eiha Hotels Ltd.	100	11281					100	11281	100	11281
Gee Kay Exim Ltd.	56000	249200					56000	249200	56000	249200
Information Tech	5000	84017					5000	84017	5000	84017
Maharashtra Krishna Valley Bond	1	23750					1	23750	1	23750
<b>Sub_total "A"</b>	<b>61301</b>	<b>381791</b>					<b>61301</b>	<b>381791</b>	<b>61301</b>	<b>381791</b>
<b>"B" UNQUOTED SHARES</b>										
Magic Software Pvt. Ltd.	10000	1000000					10000	1000000	10000	1000000
United Service Pvt. Ltd.	500	5000					500	5000	500	5000
Amit Marketing Pvt. Ltd.	272550	2725500					272550	2725500	272550	2725500
Radish I. T. Solutions Pvt. Ltd.	600000	60000000					600000	60000000	600000	60000000
Trustone Wegmans Developers Pvt Ltd			10000	100000			10000	100000		
Vedic Organic Products Pvt Ltd			200000	2000000			200000	2000000		
<b>Sub_total "B"</b>	<b>883050</b>	<b>63730500</b>	<b>210000</b>	<b>2100000</b>			<b>1093050</b>	<b>65830500</b>	<b>883050</b>	<b>63730500</b>
<b>GRAND TOTAL (A+B)</b>	<b>944351</b>	<b>64112291</b>	<b>210000</b>	<b>2100000</b>			<b>1154351</b>	<b>66212291</b>	<b>944351</b>	<b>64112291</b>
<b>Market Value of Quoted Shares</b>		<b>381774</b>						<b>380257</b>		

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### Consolidated Notes to financial statements for the year ended 31st March, 2017

	As at 31.03.2017	As at 31.03.2016
<b>12 Other Non-Current Assets, Loans and Advances</b> (Unsecured, considered good unless stated otherwise )		
(i) Security Deposits	224800	144800
(ii) Loan & advances to related parties (note 26)	20207407	48742577
(iii) Loan & advances to others	16323728	15969938
	<u>36755935</u>	<u>64857315</u>
<b>13 Inventories (valued at lower of cost and net relizable value)</b> (As certified by the Management)		
(i) Raw Material	9814888	1135435
(ii) Finished Goods	5767087	2301702
(iii) Stock -in- Trade	250035	606105
(iv) Stores & Spares	5515966	1360822
	<u>21347975</u>	<u>5404064</u>
<b>14 Trade receivables</b> (Unsecured, considered good unless stated otherwise )		
(i) Outstanding for more than six months	27551928	3483450
(ii) Outstanding for less than six months	6087233	12769572
	<u>33639161</u>	<u>16253021</u>
<b>15 Cash and Cash Equivalents</b>		
(i) Balance with Banks on Current Accounts	3223223	1443592
(ii) Cash in hand	1258259	241894
(iii) Fixed Deposits	1370023	1369370
	<u>5851505</u>	<u>3054856</u>
<b>16 Other Current Assets</b>		
(i) Advanced recoverable in cash or in kind	-	2858
(ii) Prepaid Expenses	125183	69188
Balance with Government Authorities		
(iii) Advance Income tax	1700000	2000000
(iv) VAT Receivable	935858	1182213
(v) Balance with Excise Deptt.	1195580	1748812
(vi) Service Tax Recoverable	237023	-
(vii) TDS	923364	857768
(viii) Income Tax Refundable	130257	103286
	<u>5247265</u>	<u>5964125</u>
	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
<b>17 Revenue from Operations</b>		
Sales of Products		
(i) Domestic Sales	230214183	303632168
(ii) Export Sales	4222660	5997271
(iii) Less : Excise Duty	3318456	3034890
	<u>231118386</u>	<u>306594549</u>
<b>18 Other Income</b>		
(i) Interest Income	709503	40931
(ii) Commission Income	1180401	2234005
(iii) Agricultural Income	354403	210589
(iv) Sundry Balance written off	-144022	1816508
(v) Foreign Exchange Fluctuation	-198	-88152
(vi) Miscellaneous Income	56644	498931
(vii) Rent Income	6223594	5958284
<b>Total</b>	<u>8380326</u>	<u>10671096</u>

<b>19</b>	<b>Cost of Material Consumed</b>		
	Opening Stock	2496257	8838293
	Purchase	217408639	278243035
	Consumption of stores and spares	285520	253045
		<u>220190416</u>	<u>287334372</u>
	Less : Closing Stock	15580889	5404064
	Net consumption	<u>204609527</u>	<u>281930308</u>
<b>20</b>	<b>Increase/decrease in Inventories</b>		
	Inventories at the end of the year Finished Goods	5767087	5404064
	Inventories at the beginning of the year Finished Goods	2907807	4807958
	Net (increase)/decrease in Inventories	<u>-2859279</u>	<u>-596106</u>
<b>21</b>	<b>Employee Benefits Expenses</b>		
(a)	Salaries & Wages	6728389	6364199
(b)	Bonus	353704	347948
(c)	Directors Remuneration	2400000	2472933
(d)	Contribution to Provident Fund	312227	290086
(e)	Gratuity	120744	18100
(f)	Staff Welfare Expenses	982198	353336
		<u>10897262</u>	<u>9846602</u>
<b>22</b>	<b>Finance Costs</b>		
(a)	Interest paid	2652209	1383038
(b)	Bank Charges	65417	67669
(c)	Processing Fee	137400	398207
(d)	Interest on Govt. Duties	25818	24132
		<u>2880844</u>	<u>1873046</u>
		<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
<b>23</b>	<b>Depreciation and amortization expenses</b>		
	Depreciation	1646262	8414790
		<u>1646262</u>	<u>8414790</u>
<b>24</b>	<b>Other Expenses</b>		
(a)	Auditors Remuneration ( as Audit Fee)	75,900	70927
(b)	Business Promotion Expenses	774,642	506874
(c)	Communication Expenses	601,770	568185
(d)	Exports Expenses	430,218	320816
(e)	ROC Filling Fee	39,700	86488
(f)	Freight Expenses	1,835,765	2792712
(g)	Insurance Charges	27,564	20509
(h)	Legal & Professional Charges	1,730,279	1676401
(i)	Misc. Expenses	710,436	321189
(j)	Power & fuel	895,864	985589
(k)	Printing & Stationery	470,979	200761
(l)	Rent, Rates & Taxes	709,604	529695
(m)	Rebates & Discount	69,897	44822
(n)	Repair & Maintenance	1,107,409	1172300
(o)	Security Expenses	223,332	119150
(p)	Share Listing Expenses	324,076	268641
(q)	Tour, Travelling & Conveyance	1,202,472	1235658
(r)	Vehicle Repair & Maintenance	36,776	1400
		<u>11,266,682</u>	<u>10922118</u>

## 25th ANNUAL REPORT

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017

25. Quoted investments have been valued at cost, Market value of all the quoted shares as at the Balance Sheet date is Rs. 3,80,257/- However diminution in value other than temporary is provided. The profit / loss arising on account of sales are recognized in the statement of Profit & Loss Account.
26. Related party disclosures as per accounting standard - AS-18 issued by the institute of Chartered Accountants of India.

#### Related parties:-

Holding Companies	N.A.
Associate	N.A.
Key Management Personnel	Mr. Sorabh Gupta (Managing Director ) Mr. Ghanshyam Tiwari (Chief Financial Officer)
Relative of Key Management personnel's with which the company has nay transactions during the year	Nil
Entities over which key management personnel/or relative of key management personnel are able to exercise significant influence with which the company has any transactions during the year	Nil

#### Transactions with related parties :-

Particulars	Nature of transaction	Rs.
1. Transactions with Companies.	Purchase of sugar cane :- a) Dhampur Infrastructure Pvt. Ltd. b) Greater Noida Habitat Centre Ltd. c) Dhampur Infratech Pvt. Ltd. d) Shree Balaji Holdings and Infrastructure Private Limited e) Network Gen Private Limited	6,84,060 4,34,904 3,98,747 6,11,726 4,82,157
2. Key Management Personnel (Managing Director )	Remuneration to Mr. Sorabh Gupta (Managing Director ) Balance payable as on 31.03.17 (Maximum balance outstanding payable Rs. 2.15 lacs)	24,00,000 75,933

27. Sundry Debtors, Creditors, Advance from Customers, Sundry Deposits are subject to confirmation and are as per books of accounts and will require necessary adjustment on reconciliation.
28. Sales Tax Assessments for earlier years are in progress. Demands, if any shall be accounted for on the completion of assessments.
29. Contingent Liabilities
- For a demand of Central Excise Duty being contested - 52,40,976/- (Including interest of Rs. 15,22,721/- ) for the period from F.Y. 2007-08 to 2014-15. The matter is pending with the Customs, Excise & Service Tax Appellate Tribunal, New Delhi.
  - Claims not acknowledged as debts - Nil



- 30 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	340741	215992	556733
(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Banks	340741	-	340741
closing Cash in Hand as on 30.12.2016		860980	860980

- 31 Payment to Auditors (Figures in Rs.)

Particulars	31.03.2017	31.03.2016
Audit Fees	66000	61,676
Service Tax	9900	9,250
<b>Total</b>	<b>75900</b>	<b>70,927</b>

- 32 Calculation of Earnings per Share (EPS) (Figures in Rs.)

	31.03.2017	31.03.2016
Net Profit/(Loss) for the period (Rs.)	7442338	3794746
Weighted average number of equity shares (Nominal Value of Rs. 10/- per share)	7201200	7201200
Basic Earning / (loss) per share in rupees (face value Rs. 10/ per share)	1.03	0.53

- 30 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

33. In the opinion of the directors of the company current assets, loans and advances, unsecured loans and current liabilities have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all know liabilities have been made.
34. During the year the management has noticed some operational omission and commission in the presentation of stock vide note no 19 & 20 of the financial accounts for the year 31.03.2016. The profit of the company was overbooked during the financial year 2015-16 by Rs. 5,03,354/-. During the current year the same has rectified. Therefore during the year profit decreased by Rs. 5,03,354/- entered as prior period expenses. The same has no impact on the Income Tax Liability during the year.

35. Additional information as required by Schedule III of the Companies Act, 2013:

**a) Production**

	Current Year	Pervious year
Invert Sugar	568698 kg	566750 kg
Speciality Sugar	508370 kg	623495 kg
Jaggery	212 qtl	160 qtl.

## 25th ANNUAL REPORT

### b) Raw Material Consumed

Particulars	Consumption			
	Current Year		Previous Year	
	Qty.	Value in Rs	Qty.	Value in Rs
Sugar ( in Kg)	911170	33099751	1063800	29659295
Activated Carbon ( in kg)	330	61641	520	94577
Sugar Cane ( in qtl)	21205	4910647	14252	2520795
Stores consumed		256803		217009
<b>Total</b>		<b>38328842</b>		<b>32491676</b>
<b>c) Goods Purchased (Trade)</b>				
Ethyl Acetate (in kg)	704030	40367913	382464	24169555
Sugar (in qtl)	4597	91203099	62821	215861805
Dal (in kg)	2500	255000	0	0
Rice (in kg)	5000	385000	0	0
Organic Jaggery Powder (in kg)	7000	349100	0	0
Organic Sugar (in kg)	19650	1041450	0	0
<b>Total</b>		<b>133601562</b>		<b>240031360</b>

### d) Sales, closing stock and opening stock

(Value in Rs.)

Manufactured goods	Unit	Sales		Closing Stock		Opening Stock	
		Qty.	Value	Qty.	Value	Qty.	Value
Invert Sugar	Kg	590829	29057119	11025	414524	33156	1021164
Speciality Sugars	Kg	518457	34088990	21435	967500	31522	1280538
Jaggery	Qtl	1366	8270003	755	2912453	00	00

TRADED GOODS							
Ethyl Acetate	Kg	704030	42393302	00	00	00	00
Sugar	Qtl	4597	118400250	00	00	00	00
Cloth	Pcs	5300	545205	00	00	5300	545205
Cotton Cloth	Pcs	304.5	59310	00	00	304.5	60900
Dal	Kg	2203	308078	297	32939	00	00
Rice	Kg	130	12700	4870	374990	00	00
Organic Jaggery Powder	Kg	4036	412238	2964	147834	00	00
Organic Sugar	Kg	5326	435318	14324	759172	00	00

e) Expenditure in Foreign Currency	<b>Current Year</b>	<b>Previous Year</b>
f) Earnings in Foreign Currency	83,895 /-	1,72,567/-
	42,18,962 /-	52,11,522/-

### 36. Deferred Tax Liability/ Assets

As required by Accounting Standard -22" Accounting for taxes on income " issued by Instituted of Chartered Accountants of India, deferred tax liability on profits for the year has been created.

### 37. Figures have been rounded off to the nearest paisa.

### 38. Previous year figures The company has reclassified previous year figures to conform to this year's

#### Auditor Report

#### As per seprati report of even date attached

For **S.Prasad Agarwal & Co.**  
Chartered Accountants  
Firm Regn. No. 021425N

S/d  
**(S.P. Agarwal)**  
Proprietor  
M.No. : F-092194  
Place - New Delhi  
Dated : 29.05.2017

**Registered Office:-**  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

For and on behalf of the Board of Directors of  
**Dhampure Speciality Sugars Ltd**

S/d  
**Murli Manohar**  
Director  
DIN - 01173857

S/d  
**Sorabh Gupta**  
Managing Director  
DIN- 00227776

S/d  
**Ghanshyam Tiwari**  
Chief Financial Officer

### Disclosure pursuant to section 129 (3) of companies act 2013

Salient features of financial statements of subsidiary companies, joint venture and associate as per Companies Act, 2013 are as per Annexure 'A' [Pursuant to the first proviso to sub-section(3) of section 129 of the Companies Act, 2013, read with rule 5 of the Companies (Accounts) Rules, 2014 - AOC 1]

#### Annexure-A

#### Part "A": Subsidiaries

(Rs. In lakh)

S.No.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Note No.	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities (Non Current and Current Liability)	Investments Turn-over	Turn over (including other income)	Profit/ (loss) before taxation	Pro- vision for tax- ation	Profit/ (loss) after tax- ation	Prop- osed Divid- end	% of share- hold- ing
1	Dhampur Green Pvt. Ltd.	INR	1	.1	(1.42)	20.15	20.58	-	11.94	0.92	-	0.71	-	100.00
2	Sun Burst Services Pvt. Ltd.	INR	1	.1	59.53	524.00	463.46	-	61.14	27.90	-	24.17	-	100.00
3	Dhampur Rise Pvt. Ltd.	INR	1	.1	(1.17)	0.07	0.24	-	-	(0.22)	-	(0.22)	-	100.00
4	Dhampure Healthcare Pvt. Ltd.	INR	1	.1	(1.95)	7.96	8.92	-	6.85	0.52	-	0.34	-	100.00

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